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ANALYSIS OF THE DETERMINANTS OF SUCCESS IN AGRICULTURAL MARKETING AND PRODUCTION CLUBS

By

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In

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ABSTRACT

This study focuses on an examination of the determinants of success of agricultural marketing and production clubs in Alberta. Literature suggests that small groups such as clubs tend to be studied in the context of structural and process factors. This research focussed on the structural and process factors that may influence success, as well as an outcome factor that was hypothesized to have an effect on members' perception of club success. The structural factors examined were group development, group diversity, meeting structure, and outside support. The process factors examined were goal formation, network formation and member commitment. The outcome factor was economic benefits. The relationship between these factors and member's perception of success were elaborated using data from interviews with 170 club leaders and members of agricultural marketing and production clubs in Alberta, Canada.

The results suggest that the process factors have the most influence over members' perception of success. The two most important factors that determine members' perception of success are network formation and goal formation. Clubs that established, and periodically evaluated and achieved their goals had members that viewed their clubs to be more successful. Clubs that facilitated the formation of networks viewed their clubs to be more successful.

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TABLE OF CONTENTS

I. INTRODUCTION 1

BACKGROUND TO THE PROBLEM 2
THE PROBLEM 3
OBJECTIVES 5
KEY HYPOTHESIS 5
Hypothesis 1 5
Hypothesis 2 6
STRENGTHS AND LIMITATIONS OF THE STUDY 6
PLAN OF THE THESIS 9

II. THEORETICAL FRAMEWORK 10

RELEVANT THEORETICAL CONCEPTS 10
MARKETING CLUBS AND PRODUCTION CLUBS 10
Benefits 10
Costs 12
CLUB GOODS 13
CLUB THEORY 15
COLLECTIVE ACTION 16
SOCIAL CAPITAL 20
GROUP SUCCESS 21
Composition 22
GOALS 24
GROUP DEVELOPMENT 26
Formation 27
Stages of Development 28
SUMMARY 29

III. DESIGNS AND METHODS OF RESEARCH 31

DATA COLLECTION 31
Qualitative Research Component 31
Semi-structured Interviews 31
Quantitative Research Component 33
Survey Instrument 33
Success 42
Satisfaction 44
Distribution of Survey 34
PRETESTING 35
CLUB CRITERIA 35
SAMPLING 36
DATA ANALYSIS 37
RELIABILITY AND VALIDITY 38
Reliability 38
Validity 39

ETHICAL CONSIDERATIONS 41

IV. OVERVIEW OF THE FINDINGS 42

STRUCTURAL FACTORS 46
Diversity of Membership 46
Group Formation 51
Outside Support 56
Structural Features and Success 58
THE INFLUENCE OF STRUCTURAL FACTORS ON SUCCESS 60
PROCESS FACTORS 61
Member Commitment 62
Goals 64
Network Formation 65
Process Features and Success 67
ECONOMIC FACTORS 69
Costs 70
Benefits 71
THE INFLUENCE OF PROCESS AND ECONOMIC FACTORS SUCCESS 73
MULTIPLE REGRESSION 76

V. DISCUSSION OF RESULTS 78

STRUCTURAL FACTORS 78
Diversity 79
Group Formation 81
Meeting Structure 85
Outside Support 86
ECONOMIC FACTORS 87
PROCESS FACTORS 89
Network Formation 89
Goal Factors 90

VI. SUMMARY AND CONCLUSIONS 94

INTRODUCTION 94
SUMMARY 94
IMPLICATIONS 96
RECOMMENDATIONS 99
FUTURE RESEARCH 102
CONCLUDING STATEMENT 103
BIBLIOGRAPHY 105
APPENDICES 111

LIST OF TABLES

TABLE 1: DESCRIPTIVE STATISTICS: VARIABLES COMBINED TO CONSTRUCT "SUCCESS" AND "SATISFACTION" INDICES 45

TABLE 2: AGE DISTRIBUTION OF RESPONDENTS 47

TABLE 3. COMPARISON OF EDUCATION LEVELS OF CLUB MEMBERS AND CANADIAN FARMERS 48

TABLE 4: COMPARISON OF TOTAL GROSS FARM RECEIPTS FOR ALBERTA FARMS AND CLUB MEMBERS' FARMS 50

TABLE 5. DISTRIBUTION OF CLUBS BY THE NUMBER OF YEARS THEY HAVE BEEN IN OPERATION 52

TABLE 6. DISTRIBUTION OF CLUBS BY THE NUMBER OF MEMBERS. 54

TABLE 7: PERCENTAGE OF MARKETING AND PRODUCTION CLUBS THAT HAVE RECEIVED SUPPORT BY SOURCE AND BY TYPE OF SUPPORT 57

TABLE 8: MEMBER SCORES ON THE IMPORTANCE OF STRUCTURAL FEATURES TO CLUB SUCCESS 59

TABLE 9: CLUB MEMBER SCORES ON THE IMPORTANCE OF GROUP PROCESS FACTORS 68

TABLE 10: CLUB MEMBERS USE OF ALTERNATIVE SOURCES OF INFORMATION 71

TABLE 11. DISTRIBUTION OF MEMBERS BY THE CHANGE IN GROSS INCOME AS A DIRECT RESULT OF MEMBERSHIP IN A CLUB 72

TABLE 12. DISTRIBUTION OF MEMBERS BY THE CHANGE IN GROSS EXPENSES AS A DIRECT RESULT OF MEMBERSHIP IN A CLUB 73

TABLE 13: DESCRIPTIVE STATISTICS OF THE QUESTIONS COMBINED TO DEVELOP INDEPENDENT VARIABLE INDICES 75

TABLE 14 : MULTIPLE REGRESSION OF ECONOMIC, NETWORK AND GOAL FACTORS ON THE SUCCESS INDEX 76

I. Introduction

The purpose of this thesis is to examine the sociological factors relevant to the successful establishment, operation and maintenance of agricultural marketing and production clubs in Alberta. Existing literature on marketing and production clubs and small groups recognize that clubs and small groups are multidimensional and very complex, with a multitude of factors that influence the success or effectiveness of these types of groups. The factors can be aggregated into process and structural factors.

Group processes and structure are interdependent, therefore it is difficult to make clear cut distinctions between them. For the purposes of this research they have been separated into two distinct groups. Structure is the basic framework within which everything happens (Brown, 1988). The structural factors include club size, attributes and characteristics of the members, and the amount of external outside support. Processes within groups indicate movement or change overtime (Brown, 1988). The process factors include member commitment, goal formation and network formation. This research also examined an outcome factor that was hypothesized to be important to the success of these clubs, economic factors. The intent of this research was to examine the structural, process and economic factors that influenced members' perception of success of their club.

Success can be measured on a number of different levels and can incorporate a number of aspects of the group. In this research success is the members' perception of success as measured by a number of different indicators.

Background to the Problem

Much of the research on agricultural dependent communities in Western Canada suggests that they are in transition. Decline in agriculture based rural populations, a centralization of the goods and services infrastructure in urban centers, and the uncertainty and risk associated with agriculture are indicators of the transition in agricultural communities.

The shift in agriculture to industrialized agribusiness has resulted in a decrease in the number of farms and an increase in the size of farming operations in Canada. From 1941 to 1996, the number of farms in Canada dropped from more than 730,000 to 280,000, as well, the average farm size has increased from 50 hectares in 1901 to 246 in 1996 (Statistics Canada, 1998). The remaining small and medium sized farms are experiencing a cost-price squeeze, where the farm costs are increasing, while the commodity prices are volatile and decreasing (Diaz and Gingrich 1992). At the same time, production has become more specialized, financing requirements for production have increased, and direct government support has been reduced. Producers facing these changes during a period of trade liberalization and a reduction of government income support have recognized the necessity of becoming more qualified in marketing and production technology.

Agricultural producers are taking proactive steps to make changes in their individual situations to improve their farm operations and lifestyles. With increasing specialization, capitalization, and a greater need for capital, producers recognize a need for stronger integration of the markets into their decision-making (Diaz and Gingrich 1992). Increased knowledge and application of

marketing and production methods can increase profit and decrease costs. Membership in marketing and production clubs can be an appropriate vehicle to provide farmers with access to relevant information that is needed to maintain and increase the viability of farming operations. Viable farming operations will promote growth and sustainability of rural communities in Alberta.

Agriculture is an integral part of many rural communities in Alberta and this transition in the industry, where agricultural producers are faced with uncertainty and risk, has adversely affected rural communities.

> The threat for the future is that as farms become fewer there will be a deleterious effect on rural communities. Similarly, impoverished rural communities will have a deleterious effect on agriculture, as a low quality of social and civic life will deter farm families from living on farms, even if the farms are marginally viable (AARG, 1994,p.30).

The Problem

Agriculture commodity marketing and production clubs are a way in which farmers in Alberta are collectively educating themselves about the options available to improve their marketing expertise and decision making capabilities. Producers' marketing and production clubs have operated in Alberta, either as formal or informal clubs, for many years. They are a relatively new phenomenon in Alberta in comparison to the Midwestern States and other provinces in Canada.

While the concept of agricultural marketing clubs has been widely promoted in both the U.S. and Canada as a vehicle for education and extension, little research has been conducted on which factors contribute to the success or failure of these clubs. Many of these clubs have been successful at enhancing

farm managers' ability to adapt to change and foster a management mindset. There has been little or no evaluation of these clubs and the factors that determine success.

Relatively little research has been published on small groups in rural sociology, as this has been largely the subject of social psychology. The small groups that have been investigated in rural sociology are small reactive groups such as local grass roots organizations. It is essential to recognize the importance of small proactive groups, such as marketing and production clubs, to improve rural communities and promote rural development. While factors such as increased specialization and capitalization can disconnect producers from one another, these clubs are an example of the dependency of producers on local knowledge, strategies and expertise. These clubs provide many benefits to producers and in turn many benefits to rural communities.

Recently there has been a call for interdisciplinary research in agriculture (Klein, Smith and Zentner, 1998) and this research contributes to that agenda. Agricultural commodity marketing has largely been the domain of agricultural economics, with little attention paid to the producers and the methods they are utilizing in order to educate themselves about marketing. This research examines the ways in which producers are coming together to improve their knowledge of agricultural marketing and production and increase their confidence in their decision making.

Objectives

The overall objective of this study is to collect relevant information from marketing and production clubs in Alberta to determine the most influential factors that contribute to members' perception of success. The research will provide insight to farm managers, government specialists, and private consultants into the promotion of these clubs and how to successfully establish, operate and maintain them. Two specific objectives were defined for this study:

1. To determine what the concept of "success" means in the context of agricultural marketing and production clubs.
2. To identify and examine the structural, process and economic factors that determine club success.

Key Hypothesis

These clubs operate in a very complex environment, consequently many factors can contribute to their success. As mentioned above, the bulk of the literature focuses on the structure and process of small groups and clubs, and this research is following that tradition with the addition of an outcome factor, economic benefits. This study will determine which of these factors are the most important to members' perception of success. This research examines two main hypotheses.

Hypothesis 1

The literature on structural and process factors suggests that the structural factors are the basic framework within which group processes take place (Shaw, 1981, Brown, 1988). Therefore, the processes of the group are dependent on the

structure of the group, which will determine the success or failure of the group. The structure of the group is more visible to the group members, therefore they may view the structural factors as more important than the less obvious process factors.

The structural factors, such as member diversity, group development, outside support and meeting structure, will prove to have a stronger relationship than the process factors on members' perception of success.

Hypothesis 2

Much of the literature on marketing and production clubs suggest that the main reason that producers join these clubs is to improve their economic gains by increasing their income or decreasing their expenses.

The outcome factor, economic benefits, will have the strongest influence over members' perception of success.

Strengths and Limitations of the Study

This research was conducted with the cooperation of Alberta Agriculture Food and Rural Development and government specialists. The government specialists, who are involved with rural agricultural organizations, provided much needed insight and valuable suggestions and comments throughout the research process. The application of this research is very current and appropriate to the needs of agricultural producers and government specialists. This research will provide agricultural producers, government specialists and academic researchers with empirical evidence of factors identified by club members to establish, operate and maintain agricultural clubs. It will also contribute to the dearth of

academic literature on rural organizations and the factors that determine their success. The results of the research have been made very accessible to these target groups, by developing supporting documents that are client focused in collaboration with Alberta Agriculture Food and Rural Development and Farm Business Management Program.

Careful planning and procedures were used to ensure the results of this study were valid, reliable and applicable. After the literature review, I carried out semi-structured interviews and a survey. The data collected by the different methods enhance the analysis and the write up of the results. The questions developed for both the semi-structured interviews and the survey were carefully examined by a number of people in the Rural Economy Department and AAFRD over a three month period.

The relative scarcity of literature on marketing and production clubs contributes to a limitation of this study. Much of the literature on marketing and production clubs is repetitive and based on one author, Chris Carlson who is an extension specialist with many years of experience with marketing clubs in a very specific area in the United States. I tried to expand on Carlson's work and address other theories on these clubs.

This research attempted to determine the main factors of success in marketing and production clubs by surveying active clubs. Surveying club members that were involved in defunct clubs would have provided insight into the reasons the clubs failed and may have clarified the factors important to success.

However, it was difficult to locate the members of the defunct clubs, therefore, active clubs were the focus of this research.

I was unable to go to all of the clubs to distribute the survey. This had a direct impact on the response rate. Due to a number of factors, such as weather, road conditions, distance and budget constraints, it was impossible for me to go to every club. The response rate could have been improved if I could have visited all of the clubs to distribute the survey.

Another limitation was that this study was limited to Alberta. Examining other clubs throughout the country would have provided information as to how different areas of Canada responded to marketing and production clubs. As well, it would have provided insight into how other areas of Canada are addressing information and knowledge transfer in agriculture.

Finally, a cross-sectional, longitudinal study would have been an excellent way to monitor the success of marketing and production clubs throughout time. This study would lend itself well to a follow up study in two to five years to examine the success of the clubs and examine the factors that have kept them together or caused them to disband.

Plan of the Thesis

This thesis consists of six chapters. The following chapters are designed to provide an understanding of the study. Chapter two, Theoretical Framework, elaborates on the social, psychological and economic theory that has guided this research. Chapter three describes the methods used to collect and analyze the data. Chapter four presents the results of the analysis. Chapter five discusses the results in relation to the theory that has guided the research. The final chapter summarizes the main findings and draws conclusions from the research and identifies implications of the research.

II. Theoretical Framework

Relevant Theoretical Concepts

This section outlines the relevant theoretical concepts that are guiding this research. Economic literature provides a basis for examining club theory and the goods provided by these clubs. The disciplines of economics and sociology provide us with the theories that hypothesize how and why people join together to bring about change through collective action. Psychological and sociological literature provides insight into the factors that determine success in small groups and group developmental stages. Each of these conceptual areas helps to explain the complex environment in which these clubs operate.

Marketing Clubs and Production Clubs

Formal and informal clubs have been in operation in Alberta to provide a variety of services to communities. They have historically provided such services as entertainment, health care, social support and financial aid. Agricultural commodity marketing and production clubs also offer an invaluable service to the members. They provide a forum where agricultural producers can collectively educate themselves about the options available to improve their production and marketing skills.

Benefits

Marketing clubs are tools used by producers to exchange information in order to maintain and upgrade their marketing skills. More specifically they are

"groups of people with a common goal of improving their marketing skills and keeping current on market information by pooling their knowledge while accessing outside resources" (Sifferath and Bigger, 1987, p.1). Marketing clubs serve two functions. The first is to provide practical information to producers so that they may gain the best price for their product and the second is that they provide emotional support to other producers (Minneapolis Grain Exchange, 1998).

Carlson (1987) indicates four main advantages to members of marketing clubs: 1) Members gain more knowledge about marketing; 2) members gain a greater sense of confidence in their decision making because they are more knowledgeable; 3) there is a more efficient use of time as the producers' group gathers the information collectively; 4) members will become more financially disciplined because they lay out a financial strategy with the group.

Production clubs are tools that producers use to keep abreast of production knowledge and skills. Many production clubs started to maximize yields but more recently club members have become more interested in economics of production, soil conservation and marketing (Hass, 1989). Some of the advantages to joining a production club are that the members improve their own operations, the club may provide an economy of scale, and the club fosters more innovation in the members (Hass, 1989).

Clubs provide benefits to the members of the clubs as well as the community as a whole. Matheson (1993) recognized the importance of clubs to community stability and well being in Montana:

> What the farmers learn about a particular farming practice is almost secondary to the social and community benefits of the learning process itself. The group aspect multiplies the learning, lends credibility in the larger community and with agricultural service and research agencies...Many of the clubs report broader support among the local agriculture community as a result of club activity (p.13).

The literature for both marketing and production clubs outlined many similar characteristics that contributed to the success of clubs. The characteristics that are emphasized as being important are leadership (Chicago Board of Trade 1989; Minneapolis Grain Exchange, 1989; Carlson, 1987;), member participation (Stirling, 1993; Chicago Board of Trade 1989; Minneapolis Grain Exchange, 1989), goal setting (Hass, 1989; Carlson, 1987), size (Hass, 1989), diversity (Minneapolis Grain Exchange, 1998) and meeting structure (length, frequency, rules of order) (Hass, 1989; Carlson, 1987).

Costs

While marketing and production clubs undoubtedly provide many benefits to agricultural producers, there are also some costs associated with membership. Time is one of the main costs to the members. The amount of time commitment can vary from three hours once a week to three hours once a month. The members may also be required to spend time outside of the meeting to research new methods and technologies to provide information to the members at the next meeting. Another time commitment is the travel time required to drive to a meeting; some producers may have to travel an hour or longer one way to attend a meeting. There are also financial costs, usually in the form of a membership fee,

which may be required to join the club. Again, this varies anywhere from $5.00 to $200.00. Members may also be required to pay for other expenses throughout the year such as farm tours or feedlot expenses.

Information obtained from an alternative source other than the club also represents a cost. Some alternatives for sources of information are other clubs, private consultants, and newsletters. For members to retain memberships in clubs, the costs have to be reasonable. Cornes and Sandler (1996) argue that the benefits have to be larger than the costs associated with the club. The time commitment and the financial commitment should "cost" less than alternative sources for members to maintain their membership.

Club Goods

A club is "a voluntary group of individuals who derive mutual benefits from sharing one or more of the following: production costs, the members' characteristics, or a good characterized by excludable benefits" (Sandler and Tschirhart, 1997, p.335). Therefore, a club good is a good that is "characterized by excludable benefits". Cornes and Sandler (1996) recognize six features that distinguish it from public and private goods.

The first feature that distinguishes a club good from a public good is that membership is voluntary for club goods. Public goods are nonexclusive, therefore, a public good is not voluntary because no one can be excluded, even if they prefer not to receive the good. However, a club good is voluntary and members make a choice to belong because they anticipate a net benefit from the membership.

The second feature that is important in distinguishing public goods from club goods is that a club good has a finite membership. As well as being nonexclusive, public goods are non-rival. Non-rivalry means that while one person is using the good, it does not take away any enjoyment or use that others may receive from that good. This results in an infinite number of people using the good. Club goods, on the other hand, are rival and as membership increases so too does crowding and congestion, which decreases the net benefit the members receive from the good. Therefore, club membership must be limited for the members to receive optimum benefits.

Club goods are exclusive and have finite memberships, therefore the third and fourth characteristics are that non-members are excluded and an exclusion mechanism must be in place to monitor use. The exclusion mechanism provides an incentive for members to pay the costs to receive the benefits of being a member in the club. The cost of membership must be reasonable, that is the cost must not be more than the benefits received from club membership.

The fifth characteristic that is important when distinguishing between public and club goods is that club goods involve at least two allocative decisions. When dealing with public goods, only one allocative decision requires consideration, that is the amount of the good to provide. Whereas when dealing with club goods two decisions should be addressed: the amount of the good to provide and the amount of members in the club. Neither of these decisions can be determined independently; each effects the other.

The final feature that distinguishes club goods from pure public goods is

that club goods can reach optimality, whereas public goods cannot. Club goods have an exclusion mechanism, therefore, they are more able to reach Pareto-optimal[1] results that do not require government assistance (Cornes and Sander, 1996).

Club Theory

The theory of clubs came to the forefront in 1965, with James Buchanan's influential work "An Economic Theory of Clubs" (1965). Buchanan developed the notion of a continuum of ownership-consumption possibilities. Before the development of club theory, Samuelson (1954) distinguished between two extremes, purely private and purely public goods. The theory of clubs bridged the gap between the purely public and the purely private goods that previously dominated the ownership-consumption possibilities. Buchanan recognized that there was a subclass of goods (club goods) which had excludable benefits that could be allocated through private cooperative groups (clubs).

> With purely private goods, consumption by one individual automatically reduces potential consumption of other individuals by an equal amount. With purely public goods, consumption by any one individual implies equal consumption by all others. For goods falling between these two extremes, such a distinction must be made. This is because for such goods there is no unique translation possible between the "goods available to the membership unit" and "goods finally consumed"...therefore, the "goods" entering the individuals utility function ... should be interpreted as "goods available for consumption to the whole membership unit of which the reference individual is a member". (p.3)

[1]Pareto-optimality results when it is impossible to improve the well-being of one individual without causing arm to at least one other individual. (Cornes and Sandler, 1996)

There are five different approaches used to exclude consumption by nonmembers; 1) membership fees, 2) user fees, 3) membership fee and user fee, 4) user fee supplemented by a general fund, and a 5) tax to finance a multi-product package (Cornes and Sandler, 1996). Any or all of these methods can be used to partition the population into members and nonmembers.

> Club theory determines " the most desirable cost and consumption sharing arrangement" for this class of good (Buchanan, 1965, p.2). The benefit that one person gets from a good is directly related to the number of other people in the group. Therefore, individual utility is a function of membership size and provision of goods.

Buchanan's theory of club goods applies only when the motivation for joining the club is mainly economic; when the motivation is more specifically emotional support or camaraderie, the theory does not apply. Club theory has been applied to the study of public utilities (Wiseman, 1957), communication systems (Sandler and Schulze, 1985), and environmental pollution (Murdoch and Sandler, 1994).

Collective Action

Collective action research has its roots in economics. It was introduced into the main stream of the social sciences by Mancur Olson in "The Logic of Collective Action" (1965). A main assumption of Olson's theory was that "organizations typically exist to further the common interests of groups of people" (p.7). Given this assumption it would logically follow that individuals in the group will act in a way to achieve the group goals, if the goals of the group will benefit the individual. Olson argues that this is not the case, he suggests that

"rational, self-interested individuals will not act to achieve their common or group interests" (p.2), because rational, self-interested individuals would rather free ride. That is, individuals would like to benefit from others without putting forth any of their own effort, expense or commitment. In order for individuals to work towards a common goal, there needs to be coercion, or incentive, for the individual. However, small groups may have some "voluntary action in support of the common purposes" but there is a "surprising tendency for the exploitation of the *great* by the *small*" (p. 3).

According to Olson, a collective good is nonexcludable, therefore if it is provided to one member of the group it cannot be withheld from any other member. Any attempt to acquire this good is considered collective action. If one member of the group pays for the good it is provided to the whole group, hence the free rider problem develops. Olson concludes that the only "rational" response for each individual is to free ride, therefore no collective good will ever be provided.

Olson does, however, suggest that individuals can be motivated by "selective incentives" which include "status and social acceptance," as well as "erotic incentives, psychological incentives and so on" (p.61). Marwell and Oliver (1993) have reinterpreted Olson's thesis as saying:

> people will not engage in collective action solely from motives of isolated *material* self-interest in the collective good, but will also have solidary ties to other collective actors, have a sense of moral purpose, stand to gain personally from the very fact of acting, or any combination of these motives (p.7).

A number of social science theorists recognize many difficulties with

Olson's analysis of collective goods and collective action. The critiques generally fall into three areas of disagreement. They disagree with his claims that: 1) an individual's contribution to the group is too small to make a difference in the provision of the good; 2) the members of the group have no effect on the contribution of an individual, and; 3) coordination of action is impossible (Marwell and Oliver, 1993).

Marwell and Oliver (1993) have developed a theory of critical mass in collective action that deals with most of these criticisms. Their main purpose of the theory is to "elaborate a theory that distinguishes those variables ... that affect the occurrence and amount of collective action" (p.9). Critical mass is the minimum number of resources, people or money that is needed to attract others to the group. People join groups not only as a result of common interests but also because the group has some legitimacy. This legitimacy is most often, but not solely, demonstrated by the size of the group.

For Marwell and Oliver to determine the predominant factors that promote collective action they examined four essential components. The first component is the characteristics of the individuals in the group, which consisted of the individual's interest in the good provided, and the resources they had to contribute to the group. The second component is the characteristics of the group, which are characterized by group size and group diversity. The third component is the good that was provided. The characteristics of the good that are explored are the amount of the goods provided, the price, and the homogeneity of the good. Heterogeneity of goods tends to increase the collective action around those goods

because it attracts people with many different interests or stakes in the goods. The final component is the process by which the collective action is organized, which is indicated by the method that the group chooses to make decisions.

Marwell and Oliver's theory of critical mass identified the factors within the group that promote collective action but they did not address external factors that may affect collective action. In their analysis of collective action in Haiti, White and Runge (1995) address this aspect of collective action by developing a conceptual framework that introduces external forces such as the socio-physical context.

The framework that White and Runge (1995) developed is an extension of existing literature on institutional change and can be used to examine collaborative institutions of all types. According to White and Runge, collective action happens in three phases. First, there is a change in the status quo and a proposal for collective action is developed. Next, individual agents decide to cooperate or not to cooperate. Third, there is either acceptance or rejection of the collective action.

White and Runge found that individual cooperation would be more likely to occur if the individual had prior membership in collective action groups and has knowledge of the potential gains. The continuation of collective action is dependent on the size of benefits being produced and on the amount of people who had knowledge of the benefits. White and Runge feel that the "basic rationale driving voluntary collective action is that individuals or groups are interdependent, and that their welfare ... can somehow be improved with

cooperation." (p.1693). But the improvement of the welfare of the individuals is not the only motivating factor. The groups provide a necessary experience of information sharing, trust building, role construction and monitoring of relationships and sanctioning. With the assurance of solidarity and reciprocity, these experiences allow the members to build social networks for future deals and become more innovative (White and Runge, 1995).

Social Capital

In both *Collective Action Theory* and *Club Theory*, everyone would be better off if everyone cooperated. Unfortunately, in most cases, everyone defects, causing free rider problems and the failure of the collectivity. Recently, social scientists have suggested a solution to this problem, that solution rests on the concept of S*ocial Capital* (Putnam, 1993). *Social Capital* refers to " features of social organization, such as networks, norms and trust, that facilitate coordination and cooperation for mutual benefit." (Putnam, 1993, p.1). Social Capital is seen to complement human capital, financial capital, environmental capital, and technological capital and to empower communities (Eberts,1999). Sociologist James Coleman concludes:

> Like other forms of capital, social capital is productive, making possible the achievement of certain ends that would not be attainable in it's absence...In a farming community...where one farmer got his hay baled by another and where farm tools are extensively borrowed and lent, the social capital allows each farmer to get his work done with less physical capital in the form of tools and equipment. (1988, p. 102).

Granovetter's (1985) embeddedness model suggests that as each individual contributes to the community or group as a whole, each member will receive benefits from membership. Social capital comes from the relationships embedded in the structures of the social interactions, therefore social capital is a group characteristic rather than an aggregation of individuals level of trust (Grewe and Ryan, 1999). Networks are an essential part of community social capital (Putnam, 1993 and Coleman, 1988). Granovetter (1973) concludes that the number of social networks and the strength of weak ties within the network are important considerations in community social capital. Networks aid in the transfer of important information throughout the community, which is important in small rural community where information can be scarce and costly to obtain.

The previous sections have outlined the macro theories that are guiding this research. The following sections will examine the specific characteristics of groups that may promote successful and effective group

Group Success

There have been many attempts to define groups from both psychological and sociological perspectives. The characteristics of groups that are emphasized in the various definitions are member perception (Bales, 1950), member needs (Bass, 1960), group goals (Mills, 1967), and member interdependence (Lewin, 1951)[2]. For the purposes of this research, Zander (1994) offers a simple definition

[2]For a full development of the definitions of groups, see Shaw, M.E. 1981. *Group Dynamics: The Psychology of Small Group Behavior*. New York: McGraw-Hill.

that incorporates all of the above concepts: "A group is a set of people who interact with and depend on each other - who collaborate and behave in ways that suit mutual expectations." (p.1)

The success of a group is dependent on the objectives of a group, therefore success for each group will be different. The underlying factor for any group success is that it survives until its goal has been reached (Berne, 1963; Zander, 1994). Groups are formed for a purpose and if that purpose has been fulfilled then the group has been successful. The following section outlines the factors that the literature recognizes as most important to developing successful groups.

Composition

The composition of the group is important to every other aspect of the group. Many researchers believe that certain facets of groups, such as structure, dynamics and performance, are influenced by group composition (Moreland, Levine and Wingert, 1996). Group composition consists of group size, group diversity and group attributes.

Size

Group size has both positive and negative influences on group processes and performance (Shaw, 1981). As group size increases, so too does the information, skills and resources, such as time, money and expertise. Group size may also have a negative influence on group processes. Studies have shown that as the size of the group increases member participation decreases (Gibb, 1951; Indik, 1965; Patterson and Schaeffer, 1977), there is more conflict (Hare, 1952; O'Dell, 1968), and members are less satisfied (Mullen, Symons, Hu & Salas,

1989).

Shaw (1981) sees the effect of size on group performance as a result of opposing forces, " whether the performance will become more or less effective as size increases will depend upon the degree to which added resources can be utilized and the degree to which group processes exert negative influence on the group output." (p 174). There is no simple way to determine the best size for optimum group performance. Optimum group size is dependent on a number of different factors, such as group task and composition, which vary with each group.

Diversity

Group diversity can take on many forms, members can differ in race, ethnicity, gender, age, socioeconomic status, and opinions. Like group size, diversity can have both negative and positive effects on group processes and performance. Diversity increases performance of some tasks (Wood, 1987), promotes innovation within groups (Bantel and Jackson,1989) , and increases creativity in problem solving (Hoffman, 1959; Hoffman and Maier, 1961). Diversity has also been shown to create conflict within groups, which can weaken the cohesiveness of the group and can decrease performance in groups (Moreland, Levine and Wingert, 1996). As demonstrated with group size, the effect of diversity on groups is dependent on a number of different factors, such as the task (simple or complex), or the type of diversity (race, personality, philosophy, gender, etc.).

Group tasks require a diverse set of skills to accomplish their final goals,

therefore groups whose members have diverse, but relevant skills, will be more successful in reaching those goals (Shaw, 1981). Studies have demonstrated that sexual heterogeneity in groups is more effective than homogeneity (Ruhe, 1978; Dyson et al., 1976). As well, there is evidence that heterogeneity in personality types will result in a more effective group (Hoffman, 1959; Hoffman and Maier, 1961).

Group Attributes

Group size and group diversity affects a number of processes in groups. Size and diversity influence group cohesion and compatibility, which effects the attributes of the group. A group can have many attributes that make it an effective, successful group. Zander (1994) identifies four attributes that are essential to strengthening a group in order to make it effective:

> The first two... identify it as group:(1) members interact freely and (2) depend on the actions of each other. The second two help make it a stronger body: (3) members want to remain as members because the group is attractive to them, and (4) the body has the power to influence those whom it is supposed to guide and to deal with pressures or restraints arising outside its boundaries(p. 4).

By increasing the effects of these four attributes, Zander suggests that the group will become stronger.

Goals

Groups are formed to accomplish one or more objectives; these objectives are referred to as group goals. Cartwright and Zander (1953) assumed that group goals do not differ from individual goals and that the actions that members took to achieve group goals were similar to the actions that individuals would take to

accomplish individual goals. This assumption was tested using the level of aspiration procedure and the results supported the original assumptions (Shelly, 1954; Zander & Medow, 1963; Zander & Newcomb, 1967; Zander, 1968). They found that the group goals motivated the group members towards their attainment (Shaw, 1981). Zander (1994) proposes that the goals of a group should be clear, challenging and measurable in order for the group to be effective in motivating the group towards those goals and in attaining the goals.

Explicit goals are essential to the effectiveness of the group. When individuals of the group are aware of the goals, they are more able to work toward that goal. In Larson and LaFasto's (1989) study on qualities that are important to the success of teams in government, business and sports, they found that when members had a clear understanding of the goals the team functioned more effectively.

The difficulty of the goals is determined by the amount of resources required to attain the goal (Zander, 1994). There is an abundance of research that supports the idea that groups that are assigned challenging goals are more effective than groups without explicit goals (Hinsz, 1995; Larson and Schaumann, 1993; Weingart, 1992; Weingart and Weldon, 1991). A challenging goal promotes group coordination of diverse skills within the group. When a challenging goal is accomplished there is a great sense of pride, but if the group falls short of a challenging goal, there is less embarrassment of failure than there would have been if the goal was less challenging (Zander, 1994)

For a group to know if it is successful in achieving a goal, the goal has to

have some kind of measurability. When a goal is measurable the group is able to evaluate itself and its members based on the end result of its endeavors.

The formation of goals provides a number of functions for the groups. Goals provide: a level of achievement that can be used for group evaluation, a source of motivation, a guide for direction, justification for actions, a basis for formation of networks, and a means to establish reward schemes (Zander, 1994).

Group Development

Groups are not static organizations, they are constantly evolving to adapt to change within and outside the group. This evolution is the development of the group. The study of group development has a long history in sociology and social psychology. Theorists have outlined many different group developmental stage models, that determine the stages a group goes through to accomplish its final goal or task. Most of these models are based on social-emotional or task related behaviors. These models differ in their emphasis on the stage progressions (recurrent cycles vs. successive stage), history (partial history vs. full history), and in the nomenclature of the stages (Lacoursiere, 1980). The models are also dependent on the types of groups they are applied to, for example, problem solving groups, training groups, therapy groups, and so on.

Before we examine the stages of development that Lacoursiere proposes, it is important to examine the formation of the group. The way a group forms may have an effect on all the other stages of development, therefore group formation may be one of the most critical stages in group development (Moreland, 1987).

Formation

Zander (1994) suggests four circumstances that need to exist before organizers and members establish groups: "1) Conditions in the environment or in the lives of potential joiners are unsatisfactory or suggest an opportunity for desirable change; 2) Organizers conceive a more satisfactory state of affairs; 3) Members believe they can achieve a more satisfactory state of affairs through activities of the group, and; 4) Conditions surrounding the unit encourage persons to establish a group and take part in its activities" (pp. 2-4). As has been shown in the formation of many grassroots organizations, when citizens perceive a threat to their well-being they frequently form groups to tackle the potential threat.

Moreland (1987) argues that group formation is a "*continuous* phenomenon involving the movement of a set of persons along that dimension, rather than a *discontinuous* phenomenon involving the transformation of a nongroup into a group" (p.81). Moreland refers to this process as social integration.

Moreland describes four different types of social integration that are varieties of group formation. Environmental integration forms small groups when the resources to form the group are provided by the physical, social or cultural environment. Behavioral integration results when people are dependent on one another for basic needs. Affective integration develops when people have shared feelings. Cognitive integration happens when people have similar personal characteristics. The formation of a group is not restricted to any one specific integration process; a small group may be formed by one or more of these

processes, which may result in stronger group cohesion.

Stages of Development

Lacoursiere (1980) developed a comprehensive theory of group developmental stages. The stages of development are named based on the social-emotional or task-related behaviors in each stage. The stages of this developmental theory are: orientation, dissatisfaction, resolution, production, and termination. These stages are not distinct stages that have a beginning and an end, rather they blend into each other for a smooth transition from one stage to the next.

The first stage that Lacoursiere introduces is the orientation stage. As the name suggests, this is the phase where the members of the group become oriented to the group norms and values. The new members are excited about the new experience and have a positive attitude about the possible accomplishments. Anxiety on the members' part is prevalent in this stage; there is apprehension as to whether the group will be able to help each other reach their goals.

Lacoursiere's second stage is the dissatisfaction stage. In this phase, there is disappointment on the part of the members. The high expectations of the members are not being met. If this phase is prominent and the members are very dissatisfied the group could dissolve at this point and never make it to the next stages.

The third stage is the resolution stage. At this point, there is some harmonizing between expectations and reality. The members accept the tasks that are required of them. There is also an increase in skill level, which increases self-

esteem. Eventually the negative feelings from the previous stage are diminished. This is the stage where group cohesion can first be recognized.

The fourth stage is the production stage. This stage is characterized by the team development. The members of the group work together to accomplish a common goal. The group has more autonomy and is not so dependent on the leader.

As attendance diminishes the development of the group moves into the fifth stage: termination. The members of the group are evaluating the goals of the group and if those goals have been met. They are also evaluating themselves and what they have accomplished through the group. There may be a sense of loss that the group will no longer function to serve its purposes, but the sense of accomplishment may be stronger than the feelings of loss.

Summary

The success of marketing and production clubs in Alberta is dependent on a number of different factors. These theoretical concepts provide a framework to examine the structural, process and economic factors most important to club success. Club theory provides and understanding of the processes of information sharing and network formation. Club theory also clarifies the motivations of the members for joining the clubs. Collective action theory provides the framework with insight into why people work together to bring about change and the importance of commitment and network formation to any collectivity. Psychology and sociology point to pertinent structural variables, such as group diversity, group development and meeting structure, that are important to success.

The social psychological literature points to the importance of the process factors and group goals to the effectiveness of small groups. These concepts guide this project by helping to create a holistic view of the complex environment of marketing and production clubs.

III. Designs and Methods of Research

The overall objective of the study is to examine the factors that are most important to the success of marketing and production clubs in Alberta. Three aspects of the clubs are of particular interest. The first is the structural framework, such as club size, outside support, and meeting structure, that contribute to the success of the clubs. The second is the process factors, such as network formation, member commitment and goal formation, which contribute to the success of these clubs. The third is the economic factors that are important to the success of the clubs. Both qualitative and quantitative data will be utilized to explore these aspects. The following section outlines the methods used to collect and analyze the data.

Data collection

To obtain reliable and valid information, the data collection process took part in four stages. First, semi-structured interviews were conducted with key informants, next, an extensive literature review was performed, and finally a survey instrument was developed.

Qualitative Research Component

Semi-structured Interviews

Interviews were conducted to collect qualitative data. The purpose of the interviews was to gain a better understanding of the structure and function of these agricultural marketing clubs. It was imperative to interview individuals who

were familiar with these clubs, to gain a basic understanding of how these clubs operate and the role they play in producers operations. Qualitative data collection, in the form of semi-structured interviews, was the most appropriate method to provide exhaustive information on the structure and function of these organizations. This data served as rich descriptive information for developing the survey.

Semi-structured, telephone interviews were conducted with leaders and participants of current marketing clubs. These interviews were conducted to provide the researcher with some information on the basic structural, process and economic factors of the clubs. There were 25 interviews conducted in April and May of 1998. Of the 25 interviews, 22 were conducted over the telephone and three were done in person. Two groups of respondents were interviewed. The first group was people who worked closely with the clubs, such as consultants, and department specialists from Alberta Agriculture Food and Rural Development (AAFRD), including Marketing Specialists, Beef Specialists, Crop Specialists, and Farm Management Specialists. These people most often act as facilitators to the clubs and provided insight into the structure and functions of the clubs. The second group was leaders and participants of marketing and production clubs in Alberta.

To ensure that accurate and reliable information is obtained, notes should contain both observations and interpretations (Babbie, 1999). While the interview was conducted, extensive notes were taken. Immediately after the interview, the interview was typed out. As well, the researcher added any interpretations or

additional ideas or concepts that occurred to her at the time. The information obtained from the semi-structured interviews were recorded and analyzed for recurring themes. From this information a survey was developed. A copy of the key informant interview questions are included in Appendix B.

Quantitative Research Component

Survey Instrument

A survey was designed to collect data on the clubs to inform our understanding of the ways to establish, operate and maintain successful marketing and production clubs. The survey was then distributed to marketing and production clubs still in operation and that met the criteria explained below.

Two separate survey instruments were constructed. One was developed for the leaders of the clubs and one was developed for the members of the clubs. The leader survey included questions about the structure of the club, such as, meeting structure, club longevity and club size. These questions were restricted to the leader survey for two reasons. The first was so that accurate information was provided and the second was to reduce to length of time it took members to fill out the questionnaire.

Several types of questions were included in the survey instrument. Close-ended questions were employed when there were a limited number of responses probable. Likert scale questions were used to aid the respondents in rating certain features of the clubs. Open-ended questions were used when there was a number of different responses that could be possible. For example, one of the main issues of this research was determining what success of these clubs actually meant to the

members, so Likert scale and open ended questions were employed to determine the meaning of success to the members.

Distribution of Survey

Initially, one of the main obstacles to this research was reaching a large number of the club members and ensuring a high response rate. The clubs that were eligible to take part in this study were scattered all over Alberta. As well, mail surveys do not lend themselves to high response rates. To overcome these impediments, the surveys were administered at the meetings, rather than mailed to individual members of the clubs. There were two distribution techniques employed to ensure a high response rate and a captive audience. In the first method, a packet of surveys was mailed directly to the club leaders. The packet included: a survey for the leader and each member, an information sheet to provide the appropriate information about the project and to inform the respondents of their confidentiality and anonymity, and a return envelope with prepaid postage. The leader read the information sheet to the members, distributed the survey at a club meeting, and then returned the questionnaires to the researcher.

In other cases, a researcher attended club meetings to explain the project and distribute the surveys. Seven of the clubs were surveyed in person and 16 of the clubs received the surveys by mail. The leaders and the members survey instrument and the information sheet are included in Appendix C.

Pretesting

The questionnaire was revised over three months. It was reviewed by a number of different professors to ensure that the instrument was generating the type of information that was desired. It was also reviewed by AAFRD staff to make certain that the language used in the questionnaire was proper, and the respondents were not offended by any of the questions. The instrument was then pretested by two different marketing clubs. The survey was revised according to the input from the members of the clubs.

Club Criteria

An exhaustive list of all the marketing and production clubs in Alberta was obtained from AAFRD. There were 61 known clubs in Alberta. Criteria were developed to include clubs that met regularly at a frequency which would indicate that members were involved in their clubs, and were aware of their own satisfaction and able to assess club success. For a club to be included in the project sample, it must have met four criteria.

Clubs must have:
1. Been a marketing or production club, as opposed to a management club.[3]
2. Been in operation for at least a year.
3. Met in the last year.
4. Met at least five times a year.

The contact person for each club was telephoned to determine if the club met the criteria and that it was still in operation. Of the 61 known clubs in

Alberta, 30 had dissolved or disbanded before 1998. Initially, these defunct clubs were of great interest to the researchers, as they would provide extensive information on the reasons clubs dissolve and the factors that were deficient in these clubs. However, the members of these clubs were very difficult to locate. The number of clubs still in operation was 31. Of those 31, eight did not meet the above criteria. The number of clubs that met the criteria and were still in operation was 23.

Sampling

The questionnaire used to determine the factors of success in marketing and production clubs in Alberta was distributed in November and December 1998 and in January 1999. The club leaders were contacted to explain the project and obtain the club member's permission to administer the survey. All the clubs still in operation, except two, agreed to cooperate and take some time out of one of their regular meetings to complete the questionnaires.

Of the 23 clubs still operating, two refused to complete the survey and four did not return the surveys. The number of clubs that participated was 17. There were six production clubs sampled, of which two refused to respond and four participated. There were 17 marketing clubs surveyed, of which four did not return the surveys and 13 participated. This is a response rate of 78%. The number of members that participated was 170. The response rate using the members as the

[3] Marketing clubs are groups of producers that meet to improve their knowledge of marketing theories and concepts (Chicago Board of Trade, 1989). Production clubs are groups of producers that meet to improve crop yields or increase animal production. A management club is a more holistic approach to farming that incorporates marketing, production, the family unit, the environment and a number of other different factors (Nicholl, 1998).

unit of analysis is 55%, based on the population of the club and the numbers of surveys returned from each club.

Data Analysis

The analysis for the data is performed on the statistical program, Statistical Package for the Social Sciences (*SPSS*). *SPSS* is commonly used in social research to analyze quantitative data because it is capable of doing a number of different analyses. To ensure that the data was clean and relatively free of errors a number of different measures were taken. The data was checked for any data errors such as mistyping responses, entering data out of range or leaving an answer blank when a valid response was given, using cross check procedures with SPSS. The data was run through descriptives, which displays the minimum and maximum value of each variable as well as calculates the average. As the analysis was performed, routine examinations of output were done to randomly check for coding errors or missing data. There was very little missing data, therefore listwise deletion of missing data was used. Variables with actual responses were included in the analysis, and variables that had no responses were flagged as missing.

Bivariate correlations were used to examine the relationships between one independent variable and the dependent variable. The statistic used is the *Pearson's r*, which is also referred to as the correlation coefficient. The correlation coefficient measures the strength and direction of the relationship between the independent and dependent variables (Baker, 1994).

This research hypothesizes that the success of clubs is dependent upon several independent variables. Multiple regression is one way to analyze the complex relationships that emerge when there is more than one independent variable influencing the dependent variable. Regressions were performed to determine the relationships between a number of independent variables and the dependent variable. This analysis was used to examine the relationships between variables that influenced the success of marketing clubs in Alberta.

Reliability and Validity

In operationalizing concepts into variables, there is the risk that the meaning of the construct may be lost. In social research, " the art of a good measurement is to capture the variation in an operationally defined variable" (Baker, 1994: 121). Reliability and validity are often at stake during the transition from construct to variable.

Reliability

Reliability is the probability that the same results will occur if the same procedures are followed (Babbie, 1999). Reliability can be risked on different levels. Reliability was increased in this research by taking a number of precautions. The same researcher conducted the semi-structured interviews, therefore each interview was conducted, coded and analyzed in a similar fashion, which reduced the variation in collection methods. In addition, the researcher conducting the interviews had substantial experience conducting semi-structured interviews.

Pretesting was performed to increase reliability. There was very little difficulty with answering the questions on the questionnaire. One question did present a problem in the pretest and the wording was revised. To ensure that the survey instrument is a reliable test of what is being measured inter-item reliability was used. There were a number of questions in the questionnaire that measured the same concept. For some of these concepts, such as success and satisfaction, indexes were developed in order to obtain results that are more reliable. For others, correlations using Cronbach's Alpha were used to determine the reliability of the measurement.

Validity

Validity refers to " the extent to which an empirical measure adequately reflects the real meaning of the concept..." (Babbie, 1999: 113). Validity can be measured in three different ways, criterion, construct and external (Babbie, 1999).

Criterion Validity

Criterion validity is "the degree to which a measure relates to some external criterion" (Babbie, 1999: 453). Does the survey predict the factors that are important to the success of marketing clubs in Alberta? The survey was developed from an extensive literature review as well as the semi-structured interviews to ensure that the questions asked reflected the main factors that determine success in these clubs. Questions were included to measure the main factors that emerge from both of these sources.

Construct Validity

Construct validity is " the degree to which a measure relates to other variables as expected within a system of theoretical relationships" (Babbie, 1999: 453). One area where construct validity may be jeopardized is in the operationalization of the dependent variable, success. Success is a difficult construct to measure because the meaning of success is different to everyone. A successful club can mean a pleasant social atmosphere to one person, and to another it could mean a club that provides timely and relevant information. To improve the construct validity a number of different indicators were used to determine success of the clubs as perceived by the members. These indicators were developed into an index, which had a high Alpha reliability of .88.

External Validity

External validity measures how well a study or the results of the study can be generalized to other settings, treatments or subjects (Baker, 1994). The result of this research will not be generalizable to every rural club in Alberta. Marketing clubs meet for very specific reasons and the factors that are important to longevity and success may not transfer to other rural clubs in Alberta. The results of this research may be generalizable to other marketing and production clubs across Canada and the United States that have similar goals and objectives.

Ethical Considerations

There were no anticipated adverse consequences to this research. Some respondents may have been concerned that The Farm Business Management Program (FBMP) may withdraw funding from the clubs if they are viewed in a negative light or if they have been unsuccessful. If this was the purpose of this research, it has not been relayed to the researcher.

The Human Ethics Review Committee in the Agriculture, Forestry and Home Economics Department reviewed the project at the University of Alberta in February, 1998. The researcher addressed any concerns the committee had about the project and amended the questionnaire appropriately.

The respondents were informed of the purpose of the study and how the information was to be used. Participants in the semi-structured interviews were also told that their participation was voluntary and they had the right to end the interview at any time. Participants in the survey were also told that their participation was voluntary ad that they could choose not to take part in the research.

The respondents were assured of complete confidentiality and anonymity. Each interview was coded with a number that could not be traced to the name of the respondent or the name of the club. A list of these numbers was kept separate from the names of the participants. This list of names were kept in a locked filing cabinet in the researcher's office and the list of names were destroyed after the data was coded and saved in at least two places. No information that refers to specific clubs will be released to FBMP or any other person or organization.

IV. Overview of the Findings

This chapter presents the data obtained from the semi-structured interviews and the questionnaires. The data from the semi-structured interviews is used to support and provide an explanatory basis for the survey results. The findings address the structural, process and economic factors that may have an influence on the success of marketing and production clubs.

To determine which factors affect members' perception of success, a number of variables were combined to develop the main factors that were hypothesized to be important to the perception of success. Bivariate correlations were performed between the variables within the factors and success index to determine relationships between the variables.

There is a relationship between variables when the two variables are correlated and significant. The correlation coefficient represents the strength of the relationship between the two variables. The closer the coefficient is to "1", the stronger the relationship. In the analysis, the number in the brackets (r = .345) is the correlation coefficient for the relationship. In some cases the relationships between the dependent and independent variables were not significant, in which cases there is no report of the correlation coefficient.

Success

Initially it was very difficult to determine exactly what success meant and whose perception of success was to be examined. There were a number of different individuals and organizations that were involved with these clubs and

various perceptions of success. The stakeholders involved with these clubs were the organizations of AAFRD and FBMP, who funded the project, the government specialists, who worked closely with the clubs, the consultants who were guest speakers at the meetings, the club leaders, and most importantly, the club members. The organizations of AAFRD and FBMP (as well as the researcher) had a preconceived notion that a successful club was one which endures over time. Alternatively, some of the members felt that a successful club was one that provided timely and relevant information and periodically brought in interesting guest speakers.

The best way to determine success was to directly ask the people involved with the clubs. My key informant interviews with leaders of the clubs, government specialists and consultants identified numerous perceptions of success. This information was then used to develop the survey to determine the members and leaders perception of success. A combination of features suggested by the leaders and the members was used to measure success.

Success was measured by seven questions. The questions asked how successful they feel their club was at: 1) meeting the needs of its members; 2) delivering relevant information; 3) meeting the goals or objectives of the club; 4) providing members with information to improve their operation; 5) enhancing business contacts; 6) delivering timely information; and 7) overall, as a marketing club. These questions were in the form of a five point Likert scale where 1 was "very unsuccessful" and 5 was "very successful". These seven questions were developed into a success index, which measured the overall

perceived success of the club. The Cronbach's alpha reliability[4] for the index was 0.8818. Club success is the dependent variable for this research.

Satisfaction

A similar method was utilized to develop an index for member satisfaction. The question asks how satisfied the members are with: 1) the achievement of goals; 2) the way the club is organized; 3) the amount of input the members have; 4) the information they receive; 5) the tasks they are required to perform; and 6) the club, overall. Six Likert scale questions were used to develop the satisfaction index, where 1 is "very unsatisfied" and 5 is "very satisfied". These six questions were developed into a satisfaction index that measured the members overall satisfaction with the club. The Cronbach's Alpha Reliability was 0.8334. These indices are used to determine both success and satisfaction of the clubs in general. Table 1 displays the question and the descriptive statistics for the responses to the questions.

[4] Cronbach's alpha reliability indicates the reliability of an index. It ranges in value from 0 to 1, the closer alpha is to 1 the more reliable the index (Norusis, 1994). Note that the value, 0.8818, is large, indicating the index is quite reliable.

TABLE 1: DESCRIPTIVE STATISTICS: VARIABLES COMBINED TO CONSTRUCT "SUCCESS" AND "SATISFACTION" INDICES

Success	**Mean**	**SD**
1= Very unsuccessful; 5= Very successful		
How successful is this club:		
At meeting the needs of its members	3.91	.757
At delivering relevant information	4.06	.726
At meeting the goals or objectives of the club	3.90	.814
At providing the members with information to improve their farming operations	3.93	.781
At enhancing business contacts	3.63	.914
At delivering timely information	3.72	.8643
Overall, as a marketing/production club	3.90	.7393
Satisfaction		
1= Very unsatisfied; 5= Very satisfied		
How satisfied are you with:		
The achievement of the goals of the club	3.70	.8057
The way the club is organized	3.97	.8481
The amount of input the members have	4.23	.7171
The information you receive from club meetings	4.15	.7291
The tasks you are required to perform at or before the meetings	3.86	.7932
The club, overall	4.16	.7818

On the overall success scale 90% (n =113) of respondents thought their club was successful with an average being 3.8 out of five (the closer to five the more successful). On the overall satisfaction index, 93% (n =111) of respondents were satisfied with their club, with an average of 4.0 out of five (the closer to five the more satisfied). Overall, members and leaders of clubs are satisfied with their club and they reported their clubs are successful.

The following sections of the overview of the findings are focused on the factors that may influence members' perception of their club's success. These factors are structural factors, process factors and economic factors.

Structural Factors

Structure in clubs refers to the framework in which elementary processes take place. The structural factors that were hypothesized to be important to the success of marketing and production clubs are group diversity, group formation, meeting structure, and outside support.

Diversity of Membership

The following section outlines the membership profiles to determine the diversity in clubs.

Age

The ages of the members range from 24 years old to 70, with the average being 44 years old. The members of these clubs tend to be a little younger than farmers in Alberta, where the average age for Alberta farmers in 1996 was 48 years (Lewis,1998). The largest number of members is in the 40 to 50 age group. This is concurrent with the graying trend in agriculture and the population in Canada in general (AARFD, 1998). The age of the members has a negative relationship with the success index ($r = -.215$), signifying that younger members tend to view their clubs as more successful.

TABLE 2: AGE DISTRIBUTION OF RESPONDENTS

Respondents' Age	Frequency	Percentage of Respondents
21-30 years	11	6.5%
31-40 years	50	29.4%
41- 50 years	65	38.2%
51-60 years	33	19.4%
61-70 years	6	3.5%
No response	5	2.9%
	N = 170	100%

Gender

Most of the members surveyed were males (91%, n =155). Of the members surveyed, twelve were females. This is similar to the distribution of farm operators in Alberta, where males represent 93.4% of sole proprietors (Lewis, 1998). However, women represented 44% of the operators on two-operator farms and close to 28% on three or more operator farms (Lewis, 1998), thus women in the clubs survey appear to be underrepresented. Some of the clubs make a conscious effort to include wives and females in the clubs because they feel that they can provide a different perspective. One consultant thought it was important to include women in clubs because:

> Women can be very strong and effective leaders and when they are involved in clubs they get the job done... The family unit is important, the farm is a team and every part of that team is important to the survival of the farm.

One of the reasons women are underrepresented may be that other responsibilities, such as childcare and home maintenance, may not allow them to attend meetings. The operation may be an equal partnership between husband and

wife but only one representative may be able to attend the meetings due to outside responsibilities.

Education

The education levels of respondents ranged from some high school to a university degree. Most of the respondents had at least some high school (99.4%, n =169). A majority of the respondents had some college or higher (64%, n =108).

TABLE 3. COMPARISON OF EDUCATION LEVELS OF CLUB MEMBERS AND CANADIAN FARMERS

Education Level	Percentage of Canadian Farmers (1996)*	Percentage of Club Members
Less than grade 9	16.1%	0%
Grades 9 to 12	44.3%	27.1%
Post-secondary (non-university)	24.4%	45.3%
University	15.1%	18.2%
Other		8.8%
No Response		.6%
	100%	100%

*(Statistics Canada, 1999)

Table 3 displays the education levels of the farmers in the clubs and the education of farmers in Canada. The other category would represent such educational pursuits as technical schools or apprenticeship programs. It is evident from the table that members of these marketing and production clubs have higher education levels than farmers in Canada in general.

Farm Operations

The types of farms that provide the main source of income for club members are beef, dairy, sheep, hogs, poultry, cereals, oilseeds, pulses, forage, horticulture, and alternative crops. Typically, the marketing club members' main

source of income came from cereal grain, oilseeds and pulse crops and may have been supplemented by other means such as forage or alternative sources (elk, ostrich, etc.). The production club members surveyed were mainly beef producers.

The years of farm management per club member ranged from less than one year to 50 years. The average number of years members managed their farm operations is 19 years. The majority of the members (62%, n = 105) of clubs have been managing their operations for less than 20 years. There was a negative significant relationship between the number of years the producers have been managing their operation and the success index. This suggests that managers who have been operating their farms for fewer years tend to view the clubs as more successful.

The total gross farm receipts of the club members ranged from less than $10,000 to more than $1 million dollars. The members of marketing and production clubs tend to have higher gross farm receipts than producers province wide. Table 4 below shows the difference in farm receipts between club members and other producers throughout the province.

TABLE 4: COMPARISON OF TOTAL GROSS FARM RECEIPTS FOR ALBERTA FARMS AND CLUB MEMBERS' FARMS

Gross Farm Receipts	Percent of Alberta Farms[1]**	Percent of Club Members
Under $10,000	21.8%	1.2%
$10,000 to $49,999	33.1%	6.5%
$50,000 to $99,999	16.4%	10.6%
$100,000 to $249,999	18.9%	27.1%
$250,000 to $499,999	6.5%	30.0%
$500,000 and over	3.3%	14.7%
No Response	0%	9.9%
	100%	100%

1 1995 dollars
** (AAFRD, 1999)

Table 4 indicates that the producers who join marketing and production clubs tend to be farmers who have higher gross farm receipts than Alberta farmers in general. These clubs tend to attract younger, more educated farmers who are operating larger farms. These farmers recognize the importance of keeping current of the markets and new technologies through information transfer. Larger producers may have more resources invested in their operations, and require a higher return from their products and perceive a higher need for risk management. Such producers may need to be aware of the markets (price, risk management, sales strategies) and the newest production technologies. In contrast, smaller operators may have multiple sources of income and therefore need not devote their time to marketing and production clubs. They may see less of a need to stay up to date on the latest technology because they do not depend solely on their products to sustain their lifestyle. The next structural factor that was examined was group formation and its relationship with members' perception of success.

Group Formation

Group formation may be the most critical stage in group development because the way in which a group forms may have an effect on all the other stages of development (Moreland, 1987). Group formation includes the initiation and the development of the group.

Initiation

The information obtained from the preliminary key informant interviews identified four different ways in which marketing and production clubs are initiated in Alberta: by a producer, a government specialist, an agribusiness representative or from a training course or seminar. Most of the clubs in Alberta, 70% (n =12), were initiated by producers not affiliated with government or industry. Government extension workers initiated three clubs and one was initiated by a course or seminar. There was not a significant relationship between the way the club was initiated and the success index, indicating that the way a club is initiated does not influence members' perception of success.

Group Development

Development refers to the growth of the group and the evolution the group will go through to meet their goals. It is essential to examine the development of the club when exploring club success. Development includes such things as the longevity of the club, current membership size, policies on the acceptance of new members, and how members became aware of the club.

Longevity

Originally, longevity was thought by the researcher to be a sign of success for the clubs in Alberta. However, the key informant interviews and the literature suggest that the longevity of a club does not necessarily indicate success. As one consultant said:

> Clubs evolve to dissolve. There is a shift in commonality. The club is a start for a lot of farmers to get information about marketing or production. Once they get the basic information they can get more advanced information from other sources. Once they are educated on the basics, they no longer need the club. Some of the members get burnt out. It is okay for clubs to dissolve; it may be a sign that they have been successful because the producers have learned to do it on their own.

A majority (59%, n =10) of the clubs that are still in operation have functioned for less than 5 years, 23% (n =4) have been running for between 5 and 10 years, and 18% (n =3) have been in operation for more than 10 years.

TABLE 5. DISTRIBUTION OF CLUBS BY THE NUMBER OF YEARS THEY HAVE BEEN IN OPERATION

Years club has been in operation	Frequency	Proportion of respondents
2 years	3	17.6%
3 years	3	17.6%
4 years	3	17.6%
5 years	3	17.6%
7 years	2	11.8%
8 years	1	5.9%
12 years	1	5.9%
16 years	1	5.9%
35 years	1	5.9%
	N =17	**100%**

There was no significant relationship between the longevity and the success index. This indicates that the length of time a club has been in operation does not influence members' perceptions of success. Members that have memberships in clubs that have lasted longer do not view their club as any more successful than members who have memberships in clubs that have been in operation for less time.

Size

Membership size is another variable that is important when analyzing success in clubs. The literature suggests that with an increase in membership size, comes an increase in information, skills and resources, such as time, money and expertise. However, once a group surpasses an optimum size, the benefits to the group decrease because there is a decrease in member participation and there may be less satisfaction among the members.

Current membership in the clubs varies from nine members to 38 members. The largest percent of clubs are between 10 to 20 members (59%, n =10), and there is a large number of clubs that have members over 20 members (35%, n = 6).

TABLE 6. DISTRIBUTION OF CLUBS BY THE NUMBER OF MEMBERS

Number of Members	Frequency	Proportion of respondents
Less than 10	1	5.9%
10 to 14	5	29.4%
15 to 19	5	29.4%
20 to 24	3	17.6%
25 to 30	1	5.9%
More than 30	2	11.8%
	N =17	100%

Respondents were asked, "What do you think is the optimum number of members needed to support a marketing or production club?" The responses ranged from five members to 100 members. The mean number of members the respondents felt was the optimum number was 17 members. The largest frequency was 73% (n =124) at 10 to 20 members, which indicates that the majority of members prefer to have between 10 and 20 members.

New Members

Club policy on the acceptance of new members is important for the sustainability of the club. Many members feel that "new blood" in the club promotes enthusiasm and new ideas. Others feel that new members will slow the club's progress towards its goals due to a need to "plow old ground" for the benefit of new participants. Therefore, some clubs accept new members and some clubs do not. The importance of accepting new members to the club is illustrated by this comment from an AAFRD beef specialist.

> After a couple of years it is difficult to take on new members because they are so far behind in the basic knowledge of marketing or production, so after a time most of these clubs become closed. So, if no new members are coming in and old members are leaving then the club slowly dissolves.

Clearly, some clubs have found that new membership does not diminish the level of learning members are able to experience, despite their longer experience in the club. Most of the clubs are recruiting new members (82%, n =14) and 18% (n =3) are not taking new members. Among the clubs that are recruiting new members, the most popular method of recruitment is to have members and leaders bring in guests (94%, n =16) and some clubs advertise to attract new members (11%, n =2). Most of the members of these clubs learn about the clubs existence through friends or neighbors (50%, n =85) and 24% (n =41) learn about the clubs from government specialists such as crop, marketing or beef specialists with AAFRD.

Meeting Structure

A number of different factors were examined to determine the structure of the meetings of the clubs. Variables such as time, location, frequency, length and process of the meetings were used to determine structure.

All of the clubs held their meetings during the week. Half of the clubs held their meetings during the day and half of them were held in the evening. The frequencies of the meetings range from five to 20 per year. The length of the meetings ranged from one to more than three hours.

A majority of the clubs (77%, n =13) had an executive. Some of the clubs (41%, n =7) had meetings that followed a set agenda with no specific rules of order, while 35% (n =6) had meetings that were informal with no set agenda, and 24% (n =4) had meetings that followed a set agenda with rules of order. Executive and meeting agendas are important to effective and successful clubs because they provide organization. The following quote from a leader of a club demonstrates the importance of agendas:

> There are less and less members coming and the members aren't getting much information from the meetings. Some weeks the members will go in and not learn anything, other weeks they will go in and take a lot of information away. There is no set agenda for the meetings and the members don't know what to expect from one week to the next.

Outside Support

Of the 17 clubs that have been surveyed, 15 (83%) receive outside support. This support is from, AAFRD, FBMP, agribusiness, or private consultants. Table 4 displays the percentage of clubs that received various supports from these individuals and agencies. Financial is any type of money that the club receives from organizations. Speakers are the guest presenters that clubs have throughout the year. Facilities are the places that they meet throughout the year. Information is any information on marketing or production, (publications, manuals, videos, newsletters, etc.) that the club receives from AAFRD, FBMP, agribusiness or private consultants.

TABLE 7: PERCENTAGE OF MARKETING AND PRODUCTION CLUBS THAT HAVE RECEIVED SUPPORT BY SOURCE AND BY TYPE OF SUPPORT

N = 17	AAFRD	Agribusiness	Private Consultants	FBMP	Members of the Club	Other
Financial	6%	6%	0%	18%	53%	18%
Speakers	47%	47%	41%	12%	42%	23%
Facilities	41%	18%	0%	6%	18%	47%
Information	59%	59%	47%	18%	47%	29%
Other	18%	0%	0%	0%	12%	0%

Table 7 illustrates the percentage of clubs that have received a particular type of support (financial, speakers, facilities, or information) from a particular source (AAFRD, agribusiness, private consultants, FBMP, or members of the club). For example, 6% of the 17 clubs received financial support from AAFRD.

A bivariate correlation was performed between the outside support variables and the success and index indices. There is a positive significant relationship between facilities provided by agribusiness and the success index ($r = .199$). This indicates that clubs whose facilities, such as meeting places, are provided by agribusiness perceive their club to be more successful than clubs that do not have facilities provided by agribusiness. There was a positive significant

relationship between financial support provided by FBMP and the success index (r = .256). This could suggest that clubs that receive financial resources from FBMP view their club as more successful than clubs that receive funding from other sources.

There was a significant negative relationship between information provided by the members of the club and the success (r = - .341). This may indicate that clubs who have members who provide information to the club have members who are less satisfied with the club and feel their club is less successful than clubs that bring in outside expertise. This supports the theory that outside support, especially outside expertise, is important to club success.

Structural Features and Success

The structural factors that were determined to be important to the success of marketing and production clubs were developed from the key informant interviews and the literature review. The respondents were asked to rate the importance of the structural features in Table 5 below, to the success of marketing clubs and production clubs. The mean indicates how high the process feature was rated on a five-point scale where 1 was "very unimportant" and 5 is "very important". Therefore, the closer to five the mean is, the more important the factor.

TABLE 8: MEMBER SCORES ON THE IMPORTANCE OF STRUCTURAL FEATURES TO CLUB SUCCESS[5]

Feature	N	Mean	Standard Deviation
Group discussion is encouraged	166	4.5	.87
Delivers timely information	164	4.23	.91
Has a long life span (>3 years)	164	4.00	.98
Provides a pleasant social atmosphere	164	3.89	1.04
Meetings at least once a month	164	3.71	1.18
Government specialist involved	164	3.64	1.27
Standard meeting place and time	167	3.62	1.15
Has at least 75% attendance at each meeting	166	3.52	.95
Agenda set prior to meetings	167	3.40	1.09
Membership fee is required	165	3.14	1.32
New members regularly join the club	164	3.04	1.08
Uses parliamentary procedures to make decisions	166	2.74	1.22
Membership is closed	165	2.43	1.33

The three most important factors to the members were the encouragement of group discussion, timely delivery of information and a life span longer than

[5] When looking at Table 8, it is important to note that any rating over 3.00 is rated as important, as 3.00 is usually an indicator of a neutral response. Thus, most of these factors are rated as somewhat important. Also, this question is a comparison question, so the rating of each factor is in comparison to the other factors. For example, in comparison to a pleasant social atmosphere, the encouragement of group discussion is viewed as more important.

three years. The strength of marketing and production clubs is the discussion. Therefore, members should feel comfortable about openly expressing their opinions and sharing information about their operations and experiences. A diverse mix of producers who can talk openly and who challenge each other is the best combination.

The club must provide timely and relevant information for the group. The main reason producers join these clubs is to keep current on the markets and new technologies. If the information is outdated or not of any use to the members, they will not continue to participate. Outside expertise in the form of speakers is an excellent resource to bring into the club to provide timely and relevant information. Speakers can be Alberta Agriculture specialists, agribusiness representatives, or private consultants. The least important factors were a closed membership, the use of parliamentary procedures, and the joining of new members.

The Influence of Structural Factors on Success

Much of the social psychology (Shaw, 1981; Wood, 1987; Zander, 1994; Moreland, Levine and Wingert, 1996) and marketing and production club literature (Carlson, 1987; Chicago Board of Trade, 1989; Hass, 1989; Minneapolis Grain Exchange, 1989) emphasize the importance of the structural framework to group success or effectiveness. Factors such as group formation and development, meeting structure, outside support and diversity are proven to be very important to the achievement of group objectives and group success.

The variables used to represent the structure of these clubs in this research had very little direct effect or influence over the members' perception of success. However, they did influence other factors that could be used as indicators of success, such as attendance rates. The main focus of this research is to determine the factors that are important to the members' perception of success, and the structural factors have very little effect on the members' perception of success. Therefore, the structural factors are not included in the further analysis of the main factors important to success. The following section will examine the process and economic factors important to the success of marketing and production clubs in Alberta.

Process Factors

While much of the literature on small groups has focused on the structural factors that are important to group success and effectiveness, there are many other factors that occur within the basic structural framework of groups that influence group success and effectiveness. Many group processes are important to the successful establishment, operation and maintenance of marketing and production clubs. Group processes are the events that occur overtime within the structural framework (Harrington and Miller, 1993). The process factors that are hypothesized to be important are member commitment, the establishment, evaluation, achievement, and reestablishment of goals, and network formation.

Member Commitment

Member commitment is an important factor to group success. Member commitment can be demonstrated by a number of different indicators. The indicators used are meeting attendance, task performance, difficulty and time, the frequency of meetings, the length of the meetings, leader rotation, and membership fees.

Meeting attendance is an appropriate indicator of how committed members are to the club. The more members attend meetings the more committed they are to the club. The percentage of meetings individual members attended ranges from 25% to 100%. When the sample is split into members and leaders, 75% (n =90) of the members and 88% (n =15) of the leaders attended more than 80% of the meetings. The most frequent responses when asked what members like the least about their clubs were the lack of attendance and commitment of the members. One leader indicated the challenge of:

> ...trying to keep members active and interested when they don't actively participate, attend meetings, or [become] active members by voicing their opinion or participating.

Task performance, difficulty and length of time were used as indicators of member commitment because these are costs associated with membership. The more often a task is required or the more difficult it is, the higher the cost to the individual and the more committed the individual must be in order to perform that task. If the task becomes too demanding, s/he may discontinue membership. All (100%, n =17) of the leaders had to perform some type of task and 50% of them had to perform tasks at every meeting. However, only 71% (n =105) of the

members had to perform tasks at sometime throughout the year and 29% (n =44) never had to perform tasks at any of the meetings in the last year. Of the member respondents, 41% (n =63) rated the difficulty of their tasks from very easy to easy and less than 1% (n =1) rated their task as difficult. None of the leaders rated their tasks as very easy and 12% (n =2) rated their tasks as difficult. The range of the preparation time for members and leaders was similar (members: .25 to 10 hours, leaders: .5 to 6 hours). The substantial difference is evident when we compare the averages of the two groups. The average amount of hours a member spends on her/his task is 1 hour, while the average time spent for leaders is 2 hours and 12 minutes.

Regular rotation of the leadership role is a measure of member commitment because it indicates that members are willing to take on added responsibility for the group. If a leader is not replaced for many consecutive years, a leader may experience "burn out" and resign. If there is no one willing to replace the leader, this could lead to dissolution of the group. Of the 17 groups surveyed, ten (59%) indicated that there was not a regular rotation of the leadership roles.

There were no significant relationships between the commitment factors and the success index. However, relationships between attendance levels and the performance of tasks, task difficulty, and preparation time were discovered to be highly correlated and significant. The more often members are required to perform tasks the more likely they are to attend the meetings (r =. 226). The more difficult that task is the more likely members are to attend meetings (r = .160).

The more preparation time members spent on tasks the more likely they are to attend meetings (r = .178). Members may feel a sense of ownership of the club if they are required to perform tasks for the club, and the more difficult those tasks the more time invested and the more committed they become. The more involved members are the more often they will attend meetings.

These results are supported by the theory on goals and group effectiveness or success. Goal difficulty is measured by the amount of resources required to attain the goal. Frequency of task performance, task difficulty, and length of time required to perform the task are measures of goal difficulty because they measure the amount of time (the resource) required to perform the tasks to achieve the goal. The more challenging the goal, the more often members attended (commitment).

Goals

The purpose of these clubs is to meet the needs of its members. Therefore, the goals of the club should reflect the members' needs. If goals are continuously not achieved, members may become disenchanted with the club and cancel their membership. For the club to continue after the original goals are met, new goals may need to be established. If new goals are not established, there will be no evident functional need for the club. One AAFRD marketing specialist noted that "[Members] should be more clear in their own goals; they need to be able to identify what they want."

Many of the members reported that their club did write down their goals at least some of the time (68%, n = 105). Most of the members also reported that

their club evaluated their progress towards their goals at least some of the time (69.4%, n = 118). Goal achievement was high for the clubs; 88% (n = 150) of respondents reported that their club had partly or fully achieved their goals. After the goals of the club have been achieved, 69% (n =117) of respondents reported that new goals were established. Roughly half of the respondents viewed the goals of their club as difficult to achieve (51.2%, n = 87).

Bivariate correlations were performed on the goal factors and the success index. There were positive significant correlations with all of the goal variables and the success index. Establishing, evaluating and achieving club goals is one of the most important factors to the success of marketing and production clubs in Alberta. Clubs that wrote their goals down (r =. 296), evaluated their goals more often (r =. 350) and achieved their goals more often (r =. 451) had members that tended to feel their club was successful. The more challenging the goals of the club the more successful members felt their club was (r = .234). New goals must be established after old goals have been achieved. The prevailing theory on goal development is that goals should be clear, challenging and measurable in order for the group to be effective (Zander, 1994). This research supports that theory.

Network Formation

Network formation is an important function of organizations such as marketing and production clubs in rural Alberta (Deans, 1996). Clubs enhance business networks as well as social networks. Producers can form networks with government specialists, agribusiness agents, private consultants and other producers. Network formation is the second most important benefit of clubs

articulated by the key informants, following increased knowledge. The indicators used to determine network formation are enhanced business contacts, development of formal or informal business relationships, importance of relationships and importance of continued club membership to those contacts.

Of the all respondents, 96 % (n =164) enhanced their business contacts to some extent through the people they met in the club, 15% (n =25) of these reported that the club enhanced their business contacts to a great extent. Many of the respondents (47%, n =79) formed informal or formal business relationships with individuals they met in the club. Of those who formed relationships, 49% (n = 83) felt that those relationships were important to their business and 64% (n = 108) felt that continued club membership was important to maintaining business relationships they developed in the club.

Bivariate correlations were conducted on the network variables and the success index. There were positive significant relationships with all of the network variables and the success index. This indicates that the higher the extent to which the club enhanced the respondents' business contacts, the more likely members were to report their club as successful (r =. 262). Thus, respondents who formed formal or informal business relationships are more likely to view their club as successful. Also, members who felt continued membership in the club was important to maintaining business relationships were more likely to perceive their club as being successful (r =. 215). Therefore, network formation is very important to the members of the clubs.

Process Features and Success

The process factors that were determined to be important to the success of marketing and production clubs were developed from the key informant interviews and the literature review. The respondents were asked to rate the importance of the following process features to the success of marketing clubs and production clubs. The mean indicates how high the process feature was rated on a five-point scale where 1 was "very unimportant" and 5 was "very important". Therefore, the closer to five the mean, the more important the factor is to the success of clubs.

TABLE 9: CLUB MEMBER SCORES ON THE IMPORTANCE OF GROUP PROCESS FACTORS[6]

Feature	N	Mean	Standard Deviation
Regular outside expertise	168	4.11	.89
Members actively participate	167	4.09	.77
Strong focus	164	3.82	.85
Support materials provided by the government	168	3.75	1.07
Members can form contacts with agribusiness	169	3.74	.87
Support materials provided by agribusiness	168	3.71	.99
Members can form social relationships	167	3.66	.93
Members can form business relationships	165	3.50	.95
Club meets all of its stated goals	167	3.48	.82
Members set goals for the year	166	3.36	1.04
New goals are set	169	3.33	1.03
Similar level of knowledge among members	168	2.92	1.11
Similar farm types	168	2.87	1.14
Government financial support	167	2.87	1.37
Agribusiness financial support	165	2.78	1.21
Club has written goals for the year	167	2.72	1.11

[6] When looking at Table 9, it is important to note that any rating over 3.00 is rated as important, as 3.00 is usually an indicator of a neutral response. Thus, most of these factors are rated as somewhat important. Also, this question is a comparison question, so the rating of each factor is in comparison to the other factors. For example, in comparison to a similar farm types, bringing in outside expertise is viewed as more important.

As the table indicates, the most important factors to the success of clubs, according to current members, are regular outside expertise, active participation by the members and a strong club focus. Clubs need to provide regular outside expertise in the form of speakers. These speakers provide members with the information that may not be accessible in their local area. These speakers are often consultants, AAFRD specialists, or agribusiness representatives.

It is important for the members to be active in the club if it is to be successful. The members should be responsible for some part of the meeting, whether it is to chair the meeting, to bring in new information, to do a presentation, or to bring refreshments. Participation provides the members with a sense of ownership of the club and consequently they want the club to prosper. Participation of the club members also ensures that the topics that are covered are of interest to the members.

As mentioned above, a strong focus, objective or goal is important for the success of clubs. A focus provides the club with direction, and enables the club to work towards their goals and objectives. Many of the members recognize that this is a very important factor of success.

Economic Factors

Financial benefits are measured by the increase in producers' gross farm receipts as a direct result of club membership. Many members join marketing and production clubs to increase their knowledge of marketing and production in order to increase their income. The economic factors important in retaining farm managers' commitment to maintain a marketing or production club are the costs

associated with membership (membership fees, additional costs, the costs for alternative sources of information) and the benefits of membership (change in gross income and change in gross expenses).

Costs

Many of the clubs have a membership fee (77%, n =13). This fee is to cover basic expenses such as the cost for the facility, refreshments, and speakers. The annual fee ranges from $20.00 to $350.00, with the average fee being $77.00. A number of clubs have additional costs on top of the membership fee for field trips and other outings or unforeseen costs throughout the year.

Members also seek marketing and production information from other sources. Respondents spent from $0 to $ 3500.00 on alternative sources for marketing or production information. The average amount spent by members on alternative sources of marketing and production materials was $474.00, which is almost $400.00 more than the average fee charged for club membership. This indicates that the marketing and production information that members obtain is very valuable to them and that they are willing to pay more for it. The alternatives respondents utilized for marketing and production are displayed in Table 10, with the percentage of respondents that used them.

TABLE 10: CLUB MEMBERS USE OF ALTERNATIVE SOURCES OF INFORMATION

Type of alternative	Percent of respondents
Local producers	**80%** (n =136)
Newspaper	**75%** (n =128)
Agribusiness	**73%** (n =124)
Radio/Television	**68%** (n =116)
Subscription newsletter	**60%** (n =102)
Conferences/Workshops	**58%** (n =98)
AAFRD	**58%** (n =98)
Online Internet training	**33%** (n =56)
Satellite market news	**22%** (n =38)
Paid consultants	**19%** (n =32)

Benefits

Financial benefits of clubs are often difficult for producers to articulate, because of the volatility of commodity prices. Prices for a commodity may be low and therefore the producers' income will be low as well, but they may be benefiting financially from club membership. They may be doing better as a member of a club than they would be if they were not a member. The club provides information for members in order to reduce their risks when dealing with volatile markets. When this survey was conducted, the prices for many

commodities were low with the exception of canola; therefore, it may have been difficult for members to articulate the benefits of membership. However, 35% (n =60) of the members surveyed noticed a significant increase in their gross income as a direct result of being a member of the club. Members who noticed a change reported an increase in income of $5000 to more than $20,000. Also, 15% (n =25) noticed a significant decrease in their gross farm expenses as a direct result of being a member of the club. Members who noticed a change reported a decrease in gross expenses by $5000 to more than $20,000. Many of the members could not articulate the economic benefits of clubs. Producers view improved income and decreased expenses as an important direct benefit to marketing clubs.

TABLE 11. DISTRIBUTION OF MEMBERS BY THE CHANGE IN GROSS INCOME AS A DIRECT RESULT OF MEMBERSHIP IN A CLUB

Change in Gross Income	Frequency	Proportion of Respondents
Decreased by more than $5000	1	0.6%
No significant difference	55	32.3%
Increased by $5000 to $9999	43	25.3%
Increased by $10,000 to $14,999	9	5.3%
Increased by $15,000 to $20,000	2	1.2%
Increased by more than $20,000	5	2.9%
I don't know	46	27.1%
No response/Not Applicable	9	5.3%
	N =170	100%

TABLE 12. DISTRIBUTION OF MEMBERS BY THE CHANGE IN GROSS EXPENSES AS A DIRECT RESULT OF MEMBERSHIP IN A CLUB

Change in Gross Expenses	Frequency	Proportion of Respondents
Increased by more than $5000	6	3.5%
No significant difference	85	50.0%
Decreased by $5000 to $9999	21	12.4%
Decreased by $10,000 to $14,999	3	1.8%
Decreased by $15,000 to $20,000	0	0
Decreased by more than $20,000	1	0.6%
I don't know	45	26.5%
No response/Not Applicable	9	5.3%
	N =170	100%

Bivariate correlations were performed on the economic variables and the success index. There was a positive significant relationship between the expense variable and the success index (r = .258). This indicates that the club was viewed to be more successful by members who saw a significant increase in their gross income as a direct result of being a member of a club.

The Influence of Process and Economic Factors Success

The factors that seem to have the strongest relationships with members' perception of success in this research are the process factors and economic factors. This section will take the analysis one step further by determining which of the process and economic factors have the most influence on members' perception of success.

The independent variables used in this section reflect the three main factors that have emerged from the literature, the key informant interviews, and

the previous analysis as being important to the success of marketing clubs. They are the economic factors, and the two process factors (network formation, and goal establishment, achievement and evaluation). These factors were developed into indices from several indicators of each measure. The questions used to develop the indices are displayed in Table 13.

The variables used to determine the economic benefits of membership are the change in gross expenses and the change in gross income. These two variables were combined to form an economic index, with an alpha reliability of 0.678. The variables used to determine network formation are the enhancement of contacts, the formation of business relationships, and the importance of those relationships. These three variables were aggregated into a network index, with an alpha reliability of .7538. The variables used to determine goal achievement were goal establishment, evaluation, achievement and reestablishment. These four variables were combined to form a goal index, with an alpha reliability of .6463.

TABLE 13: DESCRIPTIVE STATISTICS OF THE QUESTIONS COMBINED TO DEVELOP INDEPENDENT VARIABLE INDICES

Economic	**Mean**	**SD**
How much do you think your gross income has changed as a direct result of the knowledge you have obtained from this marketing/ production club in the last year? 0= No significant change or don't know; 1= Significant change	.3898	.4898
How much do you think your gross expenses have changed as a direct result of the knowledge you have obtained from this marketing/ production club in the last year? 0= No significant change or don't know; 1= Significant change	.1695	.3768
Network		
To what extent have the people that you have met in this club enhanced your business contacts? 0= Not at all; 1= To some extent	.9683	.1760
Have you formed formal or informal business relationships with individuals you have met in this club? 1=Yes ; 0= No	.4762	.5014
How important do you feel those relationships are to you and your business? 0= Not important; 1= Important	.4683	.5010
Goal		
How often does this marketing/production club write out what it wants to accomplish in a given time frame? 0= Never; 1= At least some of the time	.7297	.4461
How often does the club evaluate its progress towards achieving its goals? 0= Never; 1= At least some of the time	.7477	.4363
In the last year were the goals of your club: 0= Not achieved; 1= Achieved	.9369	.2442
Are new goals established after the old ones have been met? 1= Yes; 0= No	.7838	.5292

Multiple Regression

The above indices were used in a multiple regression analysis to determine the factors that are most important to members' perception of success (See Table 14). The goal index and the network formation index showed significant relationships with success, which is indicated by the significant Beta coefficient. This indicates that clubs that write their goals, evaluate their goals frequently and that achieve their goals, have members who view their clubs as more successful. The frequency of written goals, and the evaluation and achievement of goals are the best predictors of success for this study on marketing clubs. In addition, clubs that enable members to enhance business contacts that are important to the farming operation were viewed as more successful. The regression equation for the independent variables and the success index had an R^2 of .172, which indicates that the three indices used in this equation can explain 17% of the variation in the perception of club success.

TABLE 14 : MULTIPLE REGRESSION OF ECONOMIC, NETWORK AND GOAL FACTORS ON THE SUCCESS INDEX

Factors	Beta	B	Standard Error
Economic	-.042	-.088	.197
Network	.229*	.457	.188
Goal	.321**	.703	.207
R^2	.172		
Adjusted R^2	.146		
N[a]	99		

** $p < 0.01$
* $p < 0.05$
[a] The reduction in N is due primarily to missing values in the factor scales

The results in this chapter were a summary of the data collected for this research. The purpose was to provide a statistical basis for the discussion of factors important to the success of marketing and production clubs. The following chapter will provide a more intensive examination and discussion of these results.

V. Discussion of Results

In the previous chapter, the data was used to explore the structural, process and economic factors that were hypothesized to determine the success of marketing and production clubs in Alberta. Bivariate correlations and multiple regression analysis were performed to determine if 1) relationships existed between these factors and the success of the club and 2) the strength of those relationships.

The purpose of this chapter is to discuss the results of the previous chapter in relation to the sociological theory that is guiding this research. The discussion will follow the format that was used to present the results, with the main sections examining the structural, process and economic factors important to the success of marketing and production clubs.

Structural Factors

The analysis from the previous chapter indicates that many of the structural factors hypothesized to have an effect on club success do not have strong relationships with the success index. The structural factors that were hypothesized to be important to the success of marketing and production clubs were group diversity, group formation, meeting structure, and outside support. The variables that had a significant relationship with the success index were the diversity variables and the outside support variables. The following discussion will examine these relationships.

Diversity

Previous studies (Hoffman, 1959; Hoffman and Maier, 1961; Wood, 1987; Bantel and Jackson, 1989; Moreland, Levine and Wingert, 1996) on the effectiveness of groups and clubs suggest diversity of members is an important factor to group success. However, the impact of group diversity can be ambiguous. Some studies point to diversity of membership as bringing a wide range of experiences to the club, which can enhance discussions, increase performance and promote innovations (Wood, 1987; Bantell and Jackson,1989). Other studies suggest that homogeneity of the membership may be preferred (O'Reilly, Caldwell and Barnett, 1989; Jackson, et al., 1991).

It is evident from the analysis in the previous chapter of the member's profile that these clubs are quite homogeneous in many characteristics. A majority of the club members are male, over forty years of age, who have been managing their operations for less than twenty years. The members of marketing clubs are mostly oilseed, cereal and pulse farmers and the members of production clubs are mainly beef farmers. Most of the members of these clubs are farmers of larger operations ($100,000 and over). Based on these findings the diversity of members in these clubs is quite low. In this case, the lack of diversity among the measured factors may strengthen cohesiveness and decrease conflict within the clubs which suggests that common experiences, backgrounds and farming operations are important for sharing specific information and encouraging discussion.

Group tasks require a diverse set of skills to accomplish their final goals. Therefore, groups whose members have diverse, but relevant skills, will be more successful in reaching those goals (Shaw, 1981). Members may be diverse with regards to 1) off-farm income, 2) specific crops expertise, 3) cash flow requirements, 4) tolerance for risk and risk profile, 5) experience with contract crops, 6) corporate structure, 7) professional accreditation, or 8) financing requirements. Diversity of this nature may provide a rich basis for discussion within the clubs. These variables are not measured in this research, however, they may positively contribute to group success.

Typically, gender diversity within groups is an important factor of effective groups (Wood,1987; Bantel and Jackson, 1989). Sexually heterogeneous groups tend to have more thoughtful and creative decision-making (Nemeth, 1992), they tend to outperform homogenous groups (Wood, 1987), and they tend to be more willing to adopt innovations (Bantel and Jackson, 1989). Women contribute significantly to farm operations, therefore, the recruitment of women, both sole proprietors and wives of existing members, could benefit the clubs. Some of the literature on agricultural marketing clubs suggest that it is essential for the club to have the backing and input of farm women. Women tend to be better at tasks that require more detail and they tend to be more objective when setting profit margins (Carlson, 1987). To increase diversity of the membership, clubs have to first investigate reasons for the current relatively homogenous profile and then evaluate the potential impacts of increasing diversity on club success.

Group Formation

Initiation

According to the key informant interviews and the literature on marketing and production clubs, clubs that are initiated by producers are predicted to be more successful than clubs initiated by any other means. A club initiated by a producer who is not affiliated with government or agribusiness has fewer resources available to the club. As a result, the members contribute more of their own resources to the group, increasing commitment to the club providing them with a sense of ownership. One marketing specialist from AAFRD feels that:

> If an extension worker runs the meetings and does all the work, then the members won't have much commitment to the club. If a farmer starts them they will run longer and there will be higher attendance. [Sic] Can't hold the clubs hand, have to let them stand on their own feet.

It is important for clubs to have a resource person or facilitator, such as a government specialist, a feedlot operator, an elevator agent, or someone who is a leading producer in the area. In Alberta, the facilitator is usually a government extension worker. This person will act as an educational resource, organizing appropriate information for the club. An AAFRD marketing specialist reported that:

> [Club members] need a visionary-- someone who has a vision of there being a need for a club. They need an extension person involved because they have contacts that the members don't and it is a free resource.

The club organizer does not require a great amount of marketing or production expertise to facilitate the club. Her/his responsibility is to assist in

providing information and education. Some of her/his duties will include finding suitable speakers and providing support material such as literature and films.

Development

Longevity

Although different groups congregate for many different reasons there tends to be a similar pattern of change that each group will experience. Tuckman's theory of group development (1965; Tuckman and Jensen, 1977) suggest that groups go through five phases or stages as they progress towards their goals; forming, storming, norming, performing and adjourning. Tuckman and Jensen (1977) added the last phase, adjourning, to recognize that there is typically a termination of small groups after a certain period of time. This theory suggests that there is a lifecycle or life span to small groups and clubs, and that they will eventually disband. These clubs are expected to dissolve or disband once the goals or the tasks of the group have been accomplished.

A successful club is not necessarily a club that has been in operation for a long period of time. The analysis in the previous chapter indicates most of the clubs have been in operation for five years or less, and there are few clubs that operate much longer than five years. This could be due to the fact that clubs have only recently been recognized as an important tool for farmers in Alberta and they have newly formed within the last five years. The length of the clubs' existence may also reflect how long the learning experience within these clubs is rewarding for agricultural producers. Originally, there were 61 potential clubs that were eligible to take part in this research. Of those 61, 30 had dissolved within the last

two or three years. As well, the key informants suggested that there is a lifespan of about five years and that if the clubs do not change their focus, then they tend to dissolve after four or five years.

The longest lasting club (35 years) was somewhat of an anomaly, so I contacted the leader of this club to ask why he felt their club lasted so long. He confirmed the key informants' theory that clubs have to change their focus, bring in new leadership, and welcome new members to the club. The club had been running for 35 years under the same name, but that was the only thing that had remained the same. The club started out as a production club, then the focus was changed to marketing, and then to general farm management. Members came and went, and there was no one individual that had been a member for the entire 35 years. Many different leaders throughout the 35 years had provided new energy and insight for the group.

One aspect of a successful club is that it meets the needs of the members. Therefore, when a club is successful at meeting the needs of the members and the members no longer require the services provided by the club, then it may dissolve. Conversely, when a club endures for longer than three to five years, it runs the risk of losing its focus and the interest and commitment of the members. Consequently, clubs that have been in operation for longer periods may actually be viewed as less successful than those in operation for a shorter period.

Size

Group size has been proven to be an important factor when looking at the effectiveness of groups. Increasing size has both positive and negative

consequences for groups (Shaw, 1981). In this research, the size of the group does not have an effect on individual members' perception of success. However, there was an interesting relationship between the size of these clubs and the level of attendance at each meeting. Clubs that had fewer members tended to have a higher attendance rate. The clubs that had less than 20 members had attendance rates of 70% or more, while clubs that had 20 or more members had attendance rates of 50% and 60%. This concurs with much of the literature on group processes that suggests that as group size increases members participate less, they are less cooperative, and they suffer from greater coordination problems (Wittenbaum, Vaughn and Stasser, 1998). Larger groups also tend to discourage open discussion, which limits the resources, such as members' experience, available to the group (Zander,1994).

Larger groups tend to foster the phenomenon of "diffusion of responsibilities", where a small proportion of the individuals in the group run the organization, make the decisions and perform the tasks. Smaller groups require a larger proportion of the members to have responsibilities within the group. Therefore, the members are more involved in group activities that will heighten their interest in the group (Zander, 1994). Smaller groups reduce the free rider problem because it will be more evident who is taking on responsibilities and who is free riding.

There seems to be a critical mass of about 10 to 15 members that are essential to the sustainability of these groups. Whether a group has 30 members and only fifteen of them attend or a group of 15 members and 90% of them show

up what is important is the amount of committed members, not the size of the club. The results from this research indicate that there is a "critical mass" of ten to fifteen people needed in order to have a successful club. At this size, there are enough members to provide essential resources and knowledge. Members of groups this size tend to feel comfortable enough to contribute to the discussion, and show willingness to be responsible for some duties for the group as a whole.

The theory of critical mass suggests that there is a minimum number of people needed to attract other members to a group and that people join groups because the group has some legitimacy (Marwell and Oliver, 1993). Legitimacy is usually demonstrated by the size of the group, however, this research suggests that larger groups may not attract agricultural producers. Producers may be attracted to smaller groups of about 10 to 15 members because they are there to obtain information and at this size there can be open, informal discussions about relevant issues that are applicable to their operations.

Meeting Structure

The variables utilized to demonstrate meeting structure did not have significant relationships with the success index, indicating that meeting structure does not influence the members' perception of success. Organization of the meeting and the club should cater to the specific needs of the group. No particular feature or characteristic will determine the members' perception of success. If the club is organized and convenient for the members then the members will view the club as successful. Club structure should be flexible and adaptable to the members of the clubs and the needs of the members.

A club that has a standard meeting time and place, an agenda and an executive committee is more orderly. When a meeting or club is organized, the group can focus their efforts on important issues. Members who know when and where the meeting will occur are more likely to attend, even if they have been absent from previous meetings. This research suggests meetings should be held once a month in order to keep up to date on the markets, new technologies and any new local information.

An executive can provide order because the roles of the members are clearly defined and the responsibilities are distributed among the executive and the members. A clear agenda for each meeting is essential for an informative and organized meeting. The agenda should cover topics that are interesting to the members and therefore should be established by the members.

Although none of the meeting structure variables had a significant relationship with the success index, there was a relationship between meeting length and attendance rates. Meetings that last longer (2-3 hours), and are held less frequently, tend to have higher attendance rates. Therefore, a club may have a higher attendance rate if the meetings are held once a month for three hours rather than twice a month for an hour and a half.

Outside Support

Whether a club received outside support or not had no effect on members' perception of success. However, specific types of outside support did have an effect on members, perceptions of success. Clubs that had facilities, such as meeting places, provided by agribusiness viewed their club to be more successful

than clubs that did not. As well, clubs that received financial resources from the Farm Business Management Program viewed their club to be more successful than clubs that received funding from other sources. Clubs that received financial resources from FBMP may have viewed their clubs as more successful than other clubs because the financial funding that FBMP supplies is used to bring in outside expertise. *The members view bringing in outside expertise as the most important characteristics of a successful club (See Table 9).* Therefore, clubs that obtain financial resources from FBMP are better able to bring in outside expertise, and the more guest speakers they have the more successful they will view their club.

Economic Factors

One of the main hypotheses was economic factors would be the most important indicator of members' perception of success. However, the analysis indicated the economic factors had a negative relationship with the success index, therefore, the null hypothesis is supported. The negative relationship indicates that many of the respondents did not notice a significant change in their operations, or that the producers could not articulate the economic benefits from club membership. Low observations of the economic benefits is likely due to the fluctuation of commodity prices. Obviously low commodity prices will decrease farmer revenue, however, membership in the club may lessen the impact of the drop in commodity prices through applying new production techniques and marketing plans. Thus, producers may be doing better financially as a member of a club than they would have if they were not a member of a marketing or production club.

Another reason for the low observations of the economic benefits of clubs may be that many members may be motivated to join clubs to obtain information to reduce their risks when dealing with volatile commodity markets. The rationale for joining the club may be risk management and therefore members may view their club as successful even if they cannot articulate the financial gains of club membership. The relationship between club membership and increase in profits or savings is evidently not clear to the club members as indicated by the large amount of respondents that responded with "I don't know" or "No significant difference" to the economic factor questions[7].

Producers view improved income and decreased expenses as an important benefit to marketing clubs and production clubs, however, it may not be as central to continued membership as some other benefits, such as reduced risk and increased confidence in decision making. Producers may continue their membership regardless of economic benefits, but they must also be receiving another type of benefit such as increased contacts and confidence in decision making. The following quote from a marketing club member illustrates the benefits of membership.

> It is difficult to [assess] the economic value of being part of this group. However, you certainly feel better informed and knowledgeable so you assume it is showing a profit in your decision making. I feel more comfortable with decisions relating to marketing choices, so that is always worth something.

[7] 27% of respondents to both the income and expense questions responded with "I don't know". To the income and expense question 32% and 50% respectively responded with "No significant difference".

Process Factors

Network Formation

Network formation has shown to be very important to rural businesses, including agricultural businesses in Alberta (Deans, 1996). In her analysis of businesses, Deans (1996) discovered that agricultural producers are very dependent on the networks they form to sell their products and share marketing information. Agricultural producers tend to have a "cooperative rather than a competitive spirit" (114), which contributes to the building of strong ties between producers and networks in the community.

Holmund and Fulton (1999) emphasize networks as one way agricultural producers can become more specialized and interconnected, while maintaining their independence. They suggest that agriculture is becoming increasingly dependent on scientific knowledge and research, and it is essential for farmers to be involved in both producing inputs and processing products. Networks are a way farmers can become part of this larger system, by providing knowledge of new technologies and methods for production and processing.

This research is focused on how the formation of networks within the clubs contributes to members' perception of success. Do members who form networks within the club view their club as successful? The results suggest that, indeed, members who are able to form networks view their club as more successful than members who do not form business or social relationships. These results support the research on network formation and collective action. Individuals form collectivities, not only for the improvement of individual welfare

but also for network formation. With the assurance of solidarity and reciprocity, these experiences allow members to build social networks for future interactions and to increase innovativeness (White and Runge 1995). Members who enhanced their contacts through the club, who formed business relationships, and who felt those relationships were important to their operations viewed the club as being successful.

The clubs allow producers to form networks with other producers in the club, consultants, government specialists, agribusiness agents, and various guest speakers. These clubs also encourage the formation of networks between producers for purchasing and sales, which reduces the costs of inputs. These contacts can work into business relationships that may last long after the club has dissolved. Many of these farming communities are small and sometimes isolated and access to information is sometimes scarce, therefore, the building of contacts within these clubs is important to both the business and personal relationships within these communities. The networks formed within these clubs are building on the social capital which will empower the group and the community (Eberts,1999).

Goal Factors

The goal factors had an effect on members' perceptions of success. This corresponds with much of the literature on small groups (Shaw 1981; Larson and Lafasto 1989; Zander 1994) and marketing clubs (Carlson 1987; Hass 1989), that suggests the establishment, evaluation and achievement of goals are crucial to group success and effectiveness. Goals are essential for group success because

they guide the members and coordinate diverse skills in order to get the members to plan their learning strategy. Without defining goals, it is difficult to reach a conclusion about whether the club has been successful. Many of the members do not recognize the importance of the goals[8]. However, as is evident in this analysis, the groups that establish, evaluate and achieve their goals tend to have more satisfied members who view their club as more successful.

The goals should reflect the needs and desires of the members, whether that is having interesting speakers at the meetings, learning hedging and trading options or improving a farmer's bottom line. The goals and objectives will vary for each group. The important aspects of the goals are that: 1) they are in writing, so that all of the members are aware of the goals, 2) the goals need to be periodically evaluated to ensure the members are aware of their progress, and 3) they need to be achieved, so that members feel some accomplishment or benefit from the club. Without goals the group may find it difficult to focus, and consequently reduce their effectiveness.

A member of a club that has been struggling to maintain its membership because of a lack of clear goals reported:

> We drifted without direction for a while; [we] achieved [our] goals and didn't set new ones. Clubs should bring in an outside person to refocus and set new goals when the club starts getting stale.

Goals provide a number of functions for groups (Zander, 1994). Goal formation in respect to these clubs can provide a level of achievement that can be used for group evaluation. Goals can be a guide for direction and a justification

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[3] Members were asked to rate the importance of certain factors of clubs, the goal factors were consistently rated lower on the scale than other factors.

for actions for both new and established clubs. They can also be a source of stimulation when the members are uninspired by the club and the meetings. Goal formation, evaluation and achievement are invaluable to the success of marketing and production clubs.

The main hypothesis for this research is that the structural factors, such as member diversity, group development, outside support and meeting structure, will prove to have a stronger relationship than the process factors on members' perception of success. It is evident that the process factors are more strongly related to members' perception of success than are the structural factors, thus the null hypothesis is supported.

Results and Theory

This research is guided by a diverse theoretical background, as is evident in the literature review. The structural factors examined in this thesis have largely emerged from the literature on group structure in social psychology. Much of the literature on small groups suggests that the structure of the group is very important to the effectiveness of the group. This research can neither refute nor support this theory. The structural factors in this research had very little relationship to members' perception of success, however, the structural factors did have a relationship with other variables, such as attendance, that may be an indicator of success or effectiveness.

The process factors in this research emerged from club theory, collective action theory, social capital theory and group dynamic theory. The goal factors were extended from social psychological theories on group dynamics. The results

from this research support much of the literature on small groups, which suggests that goals are important to the effectiveness and success of small groups (Shaw, 1981; Larson and Lafasto, 1989; Zander, 1994). The network factors examined in this research are extended from the collective action theory and social capital theory. Both of these theories suggest that network formation is essential to collective action and information transfer especially in rural communities. This research supports these theories, by demonstrating that the members of these clubs view the formation of networks as one of the most important factors to the success of the club.

The economic factors examined in this research were extended from two areas, the literature on marketing clubs and club theory. There are both costs and benefits to joining these clubs. The literature on club theory suggests that members will not continue with their membership if the costs are higher than the benefits. This thesis can neither refute nor support this theory. The economic benefits of club membership was very difficult for the members to articulate, and yet they continue with the club. Therefore, I would conclude that there were other benefits that the members were receiving that were not readily evident.

VI. Summary and Conclusions

Introduction

Marketing and production clubs are one forum for producers to obtain important information to improve their marketing, production and management skills and knowledge. The results have determined there are a number of different and interdependent factors that determine success in the complex environments of clubs. It is apparent from this research there are a number of different factors that need to be considered when trying to understand how to establish, operate and maintain effective clubs.

Summary

This study had two main objectives. The first was to determine what the concept of "success" means in the context of agricultural marketing and production clubs. This was achieved by both qualitative and quantitative methods. Club success was measured by members' reports of how successful their club was at a number of different measures. Therefore, success is the members' perception of success.

The second objective was to identify and examine the structural, process and economic factors that determine club success. The literature on successful marketing and production clubs and small groups suggest there are both structural and process factors that are important to success. This research

recognizes these factors as important, as well as an outcome factor, economic benefits.

The structural factors examined were group diversity, group development, outside support and meeting structure. These factors tended to have very little influence over members' perception of success.

Many group processes are important to the successful establishment, operation and maintenance of marketing and production clubs. The most important tend to be the establishment, evaluation, and achievement of goals, and network formation.

Establishing, evaluating and achieving club goals is one of the most important factors to the success of marketing and production clubs in Alberta. The more often goals are written down, evaluated, and achieved, the more likely the respondents were to feel their club was successful. The more challenging the goals of the club, the more satisfied members were and the more successful they perceived their club.

Network formation was also a very important factor to members' perception of success. Members who established business and personal contacts within the club viewed their club as more successful than members who did not. Although producers in Alberta have a reputation of being independent, this research indicates that they value the expertise of other producers and government specialists and that these contacts can be essential to their farm operations. This is supported by the factors that producers articulated as being most important to the success of these clubs. The most important factors to the success of the clubs as

articulated by the members and leaders are providing regular outside expertise, active participation of members, a strong focus, support materials from government and the formation of networks.

Financial benefits are measured by the increase in producers' gross farm receipts and a decrease in expenses as a direct result of club membership. Many members join marketing and production clubs to increase their knowledge of marketing and production in order to increase their income. However, the economic benefits of club membership did not influence members' perception of success. In fact, many of the members were not able to articulate the financial benefits received through club membership. The findings indicate there are other benefits to club membership that members feel are more important than financial gain.

Implications

Clubs can enable producers to manage change and foster a management mindset because clubs provide producers with information that increases their knowledge of the changes affecting agriculture and the implications for their operations. This increased knowledge allows producers to implement positive changes within their own operations, which in effect allows them to be more self-reliant through a cooperative effort.

For producers to maintain a competitive advantage, they must be familiar with competitive information and technology pertaining to their operation. Clubs are an excellent tool for farmers to access timely and relevant information in the agriculture industry. Timely and relevant information will increase the

knowledge of producers to the changes affecting agriculture and how those changes will affect their operations. In turn, they will be able to deal proactively with the changes affecting them through the application of that knowledge to their operations.

This research is relevant and applicable to producers in Alberta. Club leaders, members and government extension workers can use this information immediately to establish, operate and maintain successful marketing and production clubs in Alberta. The factors emphasized in this research as important (encouraging clubs to invite more outside expertise, setting goals, facilitating network formation, etc.) can be incorporated into the club setting to increase the probability of club success. They can also utilize the information from this study to tailor their club to the specific needs of their members, which will increase member satisfaction within the clubs.

There has been much media coverage of this project and consequently, there has been an increased awareness of marketing and production clubs in Alberta. This "publicity" may increase interest in these clubs as producers become more aware of the benefits of these clubs. Producers in the process of establishing marketing or production clubs will benefit from this research. They now have a basic guide to provide focus for their organization, which will enable them to run a more successful club.

As agriculture becomes increasingly industrialized, knowledge and information are becoming extremely valuable. In order for producers to survive and thrive with the reduction of commodity prices and increased competition

from globalization and specialization, they are required to become more knowledgeable about new technologies and production methods and are compelled to find ways to obtain information with as little effort as possible. Marketing and production clubs are one tool producers can use to obtain essential knowledge about farming with little time investment.

This study contributes to the relative lack of research on small proactive groups in rural sociology. Groups, such as marketing and production clubs, can take proactive steps to improve rural communities and promote rural development, by recognizing and addressing many of the potential problems and issues facing agricultural communities. Generally, rural sociology has stayed away from examining agricultural economic groups and organizations, as these have largely been the domain of agricultural economics. However, economic groups and organizations are very important to the well-being and sustainability of rural communities, because it is often the slow degradation of the economy in small rural communities that leads to a decline in population and eventually the death of the community. Determining how to establish, operate and maintain these groups successfully, may have a direct impact on the sustainability and survival of these communities.

The overall objective of this project was to study marketing and production clubs in Alberta to determine what makes them successful. The research indicates that there are latent factors such as network formation, and goal factors, as well as overt factors, that are important to the success of these clubs.

Recognizing the importance of these factors to the success of clubs is important to the sustainability of these groups.

Recommendations

The research on the factors that determine success in marketing and production clubs in Alberta provided information that can be used by producers, government specialists and private consultants to facilitate groups. The research identifies structures, processes and outcomes that are important to the successful establishment, operation and maintenance these groups.

The Farm Business Management Program's mandate for Alberta is to "[p]rovide leadership in agriculture business management by facilitating quality, cost effective management programs that enhance the quality of life, sustainability and competitiveness of the agriculture industry in Alberta" (p.C1, FBMP). These marketing and production clubs are a very effective way to carry out this mission statement. They enable farmers to effectively manage change, foster a management mindset, access timely and relevant information, transfer information within the agriculture industry, and identify and respond to new and changing markets.

There is a critical mass of about ten to fifteen members that are essential to the success of these clubs. Therefore, the group should have between ten to twenty members to ensure that the group maintains its critical mass. The structural factors measured in this research tended to not have a large influence over members' perception of success. The most important aspect of the structural factors is to be flexible and adaptable to the members of the club. It is not

important that every club in Alberta meet during the week, and have three hour meetings with an executive. What is important is that the members of the club set the structure of the club so that they will attend and be involved and committed. The structural features most important to the success of clubs as articulated by the members are group discussion, delivery of timely information, and that it last longer than 3 years. Therefore, the clubs should have a structure that facilitates these aspects of the club.

To ensure success in clubs and small rural groups, it is essential they have written goals, and they periodically achieve and evaluate those goals. Goals and objectives are very important to maintaining interest and the success of clubs. Without goals there is no focus or direction for the club. Clubs must first establish their goals and this requires the input of all the members. These goals should also be written down somewhere, so members and leaders can refer back to them as the club develops. Goals have to be somewhat challenging, as this will promote group coordination of diverse skills within the club. When the group is challenged, it may be more effective.

Clubs must facilitate network formation within the group and with outside expertise. Networking in the agricultural context is very important for the viability of many farming operations. Producers develop business and friendship networks to sell their product, to buy inputs and to transfer important information. This is one of the main reasons that therefore the members will perceive clubs that facilitate and encourage network formation members join marketing and production clubs, as more successful.

To ensure the success of these groups, it is important for leaders and facilitators to emphasis the benefits of these clubs, to both the group members and the organizations who are supporting them. It was evident from this study that the members of these groups are unable to articulate the financial benefits they received from the club. Many of the members knew they were receiving benefits as members of these clubs but were unable to articulate exactly what benefits they were receiving. Members who can see direct benefits, financial or other, are more likely to view their club as successful.

Finally, in order for these clubs to remain successful and help producers to obtain information, it is imperative that the provincial or federal government encourages agricultural marketing and production clubs through financial assistance. Many of the clubs did receive some type of assistance from AAFRD, however, many of them were not aware of the financial assistance available to clubs from the FBMP to bring in guest speakers. AAFRD should follow the lead of the Agriculture Institute of Management in Saskatchewan, Inc. (AIMS) program in Saskatchewan. There is no funding for clubs provided by the Saskatchewan government, however the government does have a program for clubs who would like to access consultants, funded under the FBMP. Any club with ten or more members can request a guest speaker through the AIMS Producer Club Workshop Program. This program enables producers to access expensive speakers for a nominal cost ($100.00), with AIMS paying the remaining cost of the speaker. Saskatchewan clubs can access speakers on topics that range from marketing and production techniques to environmental issues.

Outside expertise provides new information and insight into agricultural marketing, production and management, which may not otherwise be available in local communities.

Future Research

This research examined the factors that determine success in marketing and production clubs in Alberta. The results from this project are important to producers and government extension workers to assist them in establishing, operating and maintaining successful marketing and production clubs. While conducting this project, it was evident that this research could be extended into a number of different areas of study. The following are some possible areas for further research.

This research has determined that these groups are relatively homogeneous in many ways. A fruitful area of study would be to examine other measures of diversity within these groups, such as members specific crops expertise, corporate structure, or professional accreditation. More research examining diversity should involve studying the benefits of gender diversity in agriculture marketing clubs.

This project examined marketing and production clubs that were still in operation to determine the factors of success. To determine the factors of success it may be important to examine defunct marketing and production clubs to determine the factors that lead to their dissolution. A comparison between these two groups would reveal many factors that may not be apparent when examining operating clubs.

A longitudinal study of these clubs would further the research on the life cycle of clubs. A follow up on club activities in the next couple of years to examine life cycle factors would be beneficial to club leaders, members, government extension workers, and private consultants.

Another important area of study that could be extended from this research would be the examination of business network formation and network strategies through club activity and their impact on farm success.

Finally, this research did not elaborate on the suppressed or interactional effects between the process, structural and outcome factors. To determine a more accurate relationship between the factors, these effects could be examined more closely by conducting path analysis with a more extensive causal model.

Concluding Statement

It is important to recognize the factors that influence members' perception of club success to maintain club membership and sustain the clubs. Recognizing the importance of these factors to the success of clubs is essential to the sustainability of these groups and more importantly rural communities. Small proactive groups such as agricultural marketing and production clubs are important to the well-being of individuals and rural communities in Alberta because they broaden producers ability to weather the vagaries of agricultural markets. By transferring technical agricultural information as well as specific local information and by enhancing producers' knowledge about the markets, producers are empowered to make complex decisions and are able to develop

networks of solidarity to enhance their business operations. Consequently, the social capital within the community will increase, which may empower the community. It is imperative for individuals to work together to improve their own situation and in their local communities. Clubs are one way that producers are coming together to affect change in their operations and essentially in their lives.

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APPENDICES

Appendix A: Information Sheet

Analysis of Determinants of Success of
Agricultural Marketing and Production Clubs

Information Sheet for Survey Participants

The purpose of this project is to determine the key factors in establishing, operating and maintaining successful marketing or production clubs in Alberta. These clubs have enhanced farm managers' skills at using market information and improving marketing decisions. The Farm Business Management Program is funding this study to determine what the key factors are in the success of marketing and production clubs.

As members of a marketing or production club in Alberta, you are some of the few people who have knowledge about what may make these clubs successful. We greatly appreciate you taking the time out of your meeting to fill out a questionnaire.

The knowledge that is obtained from this research will be passed on to the club leaders and advisors in the form of a brochure or operations manual. This information will:

1) Promote the establishment and maintenance of successful clubs.

2) Inform current clubs of the characteristics of successful organizations.

3) Improve the organization and leadership skills of club members.

You may be assured of complete confidentiality. Your name will never be placed on the questionnaire. No individualized information or information referring to specific clubs will be released to the Farm Business Management Program or any other person or organization.

Please fill out each question as accurately and thoroughly as possible. Thank- you for your participation in this project.

If you have any questions, comments or suggestions about the survey or the project, please do not hesitate to call any of the researchers below.

Harvey Brooks, Associate Professor	(403) 492-4596
Naomi T. Krogman, Assistant Professor	(403) 492-4178
Nicole Witwicki, Graduate Student	(403) 433-0184

Appendix B: Key Informant Interview Guide

ID#
Date:

Leaders of clubs:

1. How long have you been involved with the club?
2. Is your club formally registered?
3. What is the membership size?
4. How would you characterize the members in your club? Age, operation size, operation type?
5. Is your club formally registered?
6. When do you hold your meetings? How long do they last?
7. How long has your club been in operation?
8. How is the agenda for the club set?
9. Why was the club started?
10. What resources, either government or private, does your club use? AARFD, consultants?
11. What were some of the main reasons (3) that you joined the club?
12. What benefits does the club provide for you?
13. What are the costs to you of participating in the club? Time, money, etc.?
14. What does a successful club mean to you?
15. Do you feel that your club is successful? Why?
16. Can you suggest three main factors associated with the success of your club?
17. Are members of the club able to get the information that is provided by the club any other way? (Internet?)
18. Do you allow new members to join your club? If so, how do they catch up to the other members?

19. Are you involved in any other courses or programs to improve your skills and knowledge about marketing or production?

20. Are you involved in any other clubs to improve your farm operation?

21. Have you noticed any trends in attendance?

22. Does the club enable you to form networks with people or organizations that you otherwise would not?

23. After the formation of these networks, do they continue outside of the club?

24. Do these networks last after the club has dissolved?

25. Have you used information from the club to enhance your operation?

26. Have you noticed any changes in your operation due to the information that you have obtained from the club? Profits, management, confidence in decision making?

27. Do you feel that the members are practicing the information obtained from the club in one way or another?

28. Do you know of any clubs that have dissolved or amalgamated with other clubs? Why do you think they dissolved?

29. How has your club changed over the years?

30. How do you see your club changing in the future?

31. How would you like to see your club change?

32. How long do you think your club will last?

33. What do you like most/least about your club?

ID#:
Date:

Facilitators to the clubs:

1. How does a marketing and production club get started?
2. Who are the people that most often initiate these clubs?
3. How do you characterize the market segment of the producers that are in these clubs? Size, Specialization, etc.
4. What kind of commitment does it take to get these clubs started? Financial, time, etc.?
5. Why do producers join marketing and production clubs?
6. Do you think that these clubs are most active as business ventures or as a research body?
7. What benefits do producers obtain from these clubs?
8. Do these clubs provide social benefits as well?
9. What kind of information are producers hoping to obtain from these clubs?
10. Do you feel that producers are getting the information that they seek?
11. What level of commitment do the members have to the clubs? Is attendance consistent, do they have roles to fulfill at every meeting, are there elected positions?
12. How long do members stay involved?
13. How long do clubs usually last?
14. Do you feel that most members use the information they obtain from these clubs to improve their operations?
15. Do you think that members are able to form networks through these clubs?
16. Are the members able to get the information provided by these clubs in any other way?
17. What advantages do the clubs provide over these other alternatives?

18. Are there any trends in attendance based on new developments, economic fluctuations, or seasons?

19. What is a successful club to you?

20. What three things do you feel successful clubs have in common?

21. What factors do you think are important for the continuation and success of the clubs?

22. Do you know of any clubs that have dissolved? If so, why do you think they dissolved?

23. How do you think the clubs have changed over the years? Membership attendance, membership profile, meeting organization, etc.?

24. How do you see these clubs changing in the future?

25. How would you like to see these clubs changed?

26. Overall do you feel that these clubs are benefiting producers in marketing or production?

Appendix C: Survey Instruments
Leader Survey

This questionnaire should take about 30 minutes to answer. Please read each question carefully and try to answer as accurately as possible. There are a number of different types of questions, please follow the instructions in each question.

To start, we would like to ask a little about yourself and how you got involved with this club.

1) Which of the following best describes you? (Please circle the number next to the answer you choose)

Producer (not affiliated with government or industry)	1
Government specialist	2
An Agribusiness representative	3
Other _____	4

2) How long have you been a member of this club? _____year(s)

3) What are the three main reasons you initially joined the club?

A. _____

B. _____

C. _____

4) To what extent is this club meeting your expectations?

To a great extent	1
To a moderate extent	2
To a minimal extent	3
Not at all	4

5) What percentage of members did you know before you joined the club?

_____ **%**

6) Have you ever been a member of a marketing club besides this one? (Please circle the number next to the answer you choose)

Yes 1 No 0 **(IF NO, GO TO Q. 8)**

7) Could you please indicate how satisfied you were with the experience. (Please circle the number next to the answer you choose)

Very satisfied	1
Satisfied	2
Unsatisfied	3
Very unsatisfied	4

The next set of questions is about what you feel makes a successful club and how this particular club operates.

8) Using a scale of 1-5, where "1" is very **unimportant** and "5" is very **important** would you indicate how important or unimportant each of the following features are to the **success of a club**. (Please circle the most appropriate number for each feature)

Features	Very Unimportant				Very Important
a) Meetings at least once a month	1	2	3	4	5
b) Provides a pleasant social atmosphere	1	2	3	4	5
c) Uses parliamentary procedures to make decisions	1	2	3	4	5
d) Membership fee is required	1	2	3	4	5
e) Standard meeting place and time	1	2	3	4	5
f) Agenda set prior to meetings	1	2	3	4	5
g) Membership is closed	1	2	3	4	5
h) Group discussion is encouraged	1	2	3	4	5
i) Government specialist involved	1	2	3	4	5
j) Delivers timely information	1	2	3	4	5
k) Has at least 75% attendance at each meeting	1	2	3	4	5
l) New members regularly join the club	1	2	3	4	5
m) Has a long life span (more than 3 years)	1	2	3	4	5

9) This marketing club was initiated by: (Please circle the number next to the answer you choose)

A producer	1
A government extension worker	2
An agribusiness representative	3
A course or seminar	4
I don't know	5

10) How many years has your club been in operation? _____ year(s)

11) How long have you been the leader of the club? _____ year(s)

12) Is your position within the club a paid position? (Please circle the number next to the answer you choose)

Yes 1 No 0

13) At what time do you meet? (Please circle the number next to the answer you choose)

Morning	1
Afternoon	2
Evening	3
It Varies	4

14) Do you meet during the week or on weekends? (Please circle the number next to the answer you choose)

Week	1
Weekends	2
It Varies	3

15) Approximately, how many times has your club met in the last year?

_____

16) How long do the meetings generally last? (Please circle the number next to the answer you choose)

Less than 1 hour	1
1 hour to less than 2 hours	2
2 hours less than 3 hours	3
More than 3 hours	4

17) How many members did the club have when it began? _____

18) How many members are currently in the club? _____

19) What do you think is the optimum number of members needed to support a marketing club? _____

20) When are new members welcome to join the club? (Please circle the number next to the answer you choose)

Only at the beginning of the year	1
Only up to a certain point in the year	2
Throughout the whole year	3
We are not taking any new members	4

21) How do you recruit new members? (Circle all that apply)

Advertise	1
Members bring in guests	2
Leader brings in guests	3
We are not taking new members	4
Other _____	5

22) What are the top three reasons members leave the club? Please choose 3 of the following and rank in order, "1" is most common, "3" is least common.

____ Contacts formed within the club are maintained without continued club attendance

____ Members learn as much as they can in a club setting and then explore other avenues for information

____ Expectations of members are not met

____ Interpersonal conflict

____ Frustration with dealing with new members

____ Members tire of regular duties/obligations

____ Responsibilities outside of the club

____ Expectations placed on the members are too high

____ Other (please specify)

_____

23) How many current members have been involved with this club from the beginning? _____

24) Approximately what percentage of the membership usually attends the meetings? _____%

25) Is there a regular rotation of the leadership roles? (Please circle the number next to the answer you choose)

Yes 1 No 0

26) Does the club have an executive (president, treasurer, secretary, etc.)? (Please circle the number next to the answer you choose)

Yes 1 No 0

27) How are the club meetings run? (Please circle the number next to the answer you choose)

The meeting follows a set agenda with rules of order (Parliamentary procedures to make decisions)	1
The meeting follows a set agenda with no specific rules about who can address the group or when	2
The meeting is informal with no set agenda	3

28) Does the club have a membership fee? (Please circle the number next to the answer you choose)

Yes 1 No 0 **(IF NO, GO TO Q.30)**

29) If so, how much is the fee? $_____

30) Are there additional costs to the members for club activities throughout the year? (Please circle the number next to the answer you choose)

Yes 1 No 0

31) Does your club make actual marketing transactions? (Please circle the number next to the answer you choose)

Yes 1 No 0

32) Do you receive support from any outside sources (e.g. financial, speakers, facilities, or information? (Please circle the number next to the answer you choose)

Yes 1 No 0 **(IF NO, GO TO Q.34)**

33) If you do receive support from outside sources, please put the approximate percentage of the different types of support in the appropriate boxes. For example, if you feel that you get about half of your information materials from agribusiness representatives then mark 50% in the box where agribusiness and information meet. If you do not receive support from an organization then leave that box blank.

Definitions

Financial is any type of monies that you receive to support the club.

Speakers are the guest speakers that you have throughout the year.

Facilities are the places that you meet throughout the year.

Information is any information on marketing/production, (publications, manuals, videos, newsletters, etc.) that the club receives from any of the organizations.

Percentage of Support Received

	AAFRD	Agribusiness	Private Consultants	FBMP	Members of the Club	Other	Total Percent
Financial							100%
Speakers							100%
Facilities							100%
Information							100%
Other							100%

The next set of questions is about your experiences with this club and the duties that are required of you as a leader of the club.

34) What percentage of the meeting have you attended in the last year?

_____ meetings

35) How often have you had to perform specific tasks at or between meetings? (Please circle the number next to the answer you choose)

All the time	1	
Most of the time	2	
Some of the time	3	
Never	4	**(IF NEVER, GO TO Q. 39)**

36) Please indicate how you would rate the tasks or roles that you were required to perform at meetings or between meetings. (Please circle the number next to the answer you choose)

Very Easy	1
Easy	2
Moderate	3
Difficult	4
Very difficult	5

37) Please list the typical tasks that you would do in preparation for a meeting

_____

_____

38) What is the average amount of hours you devote to the preparation of a typical meeting?

_____ Hours

39) What alternative sources have you relied upon in the last year to obtain marketing information? (Check all that apply).

____Newspapers

____Online Internet Trading

____Radio/ Television

____Local producers

____Conferences/workshops

____ Subscription Newsletters

____Agribusiness (Elevator Companies, farm supply dealers, chemical companies, etc.)

____ Paid Consultants

____Alberta Agriculture, Food and Rural Development (AAFRD)

____ Satellite Market News (DTN, Globalink)

____Other (Please specify)

_____

40) Approximately how much have you spent on the above alternative sources in the last year? (This does not include your club membership)

$_____

41) How often does the club provide marketing information to members between meetings? (Please circle the number next to the answer you choose)

Between every meeting	1
Between most meetings	2
Between some meetings	3
Never	4

This section focuses on the success of your club and the features that you feel make a successful club.

42) Using a scale of 1-5, where "1" is **very unsuccessful** and "5" is **very successful**, please circle the number which indicates how **successful you think this club is**:

a) At meeting the needs of its members

Very Unsuccessful				Very Successful
1	2	3	4	5

b) At delivering relevant information

Very Unsuccessful				Very Successful
1	2	3	4	5

c) At meeting the goals or objectives of the club

Very Unsuccessful				Very Successful
1	2	3	4	5

d) At providing the members with information to improve their farming operations

Very Unsuccessful				Very Successful
1	2	3	4	5

e) At enhancing business contacts

Very Unsuccessful				Very Successful
1	2	3	4	5

f) At delivering timely information

Very Unsuccessful				Very Successful
1	2	3	4	5

g) Overall, as a marketing club

Very Unsuccessful				Very Successful
1	2	3	4	5

43) Using a scale of 1-5, where "1" is **very unimportant** and "5" is **very important** would you indicate how important or unimportant each of the following features **are to the success of a club.** (Please circle the most appropriate number for each feature)

	Very Unimportant				**Very Important**
a) Support materials provided by government (Manuals, speakers, publications, videos, etc.)	1	2	3	4	5
b) Strong focus	1	2	3	4	5
c) Club meets all of its stated goals	1	2	3	4	5
d) Members have similar farm types	1	2	3	4	5
e) Regular outside expertise brought into meetings	1	2	3	4	5
f) Members set goals for the year	1	2	3	4	5
g) Enables members to form contacts with agribusiness	1	2	3	4	5
h) Club has written goals for the year	1	2	3	4	5
i) Government financial support	1	2	3	4	5
j) Enables members to form social relationships	1	2	3	4	5
k) Support materials provided by agribusiness (Manuals, speakers, publications, videos, etc.)	1	2	3	4	5
l) Similar level of marketing knowledge among members	1	2	3	4	5
l) Once goals are met, new ones are set	1	2	3	4	5
m) Enables members to form business relationships	1	2	3	4	5
n) Members actively participate	1	2	3	4	5
o) Agribusiness financial support	1	2	3	4	5

44) What do you feel are the three most important features of a successful club?

A. _____

B. _____

C. _____

The next questions are about how membership in this particular club has affected your business operation and your business relationships

45) Please indicate how much of an impact belonging to this marketing club has had on improving your farm management practices. (Please circle the number next to the answer you choose)

Very significant impact	1
Somewhat of a significant impact	2
Very little impact	3
No impact at all	4

46) To what extent have the people that you have met in this marketing club enhanced your business contacts. (Please circle the number next to the answer you choose)

To a great extent	1
To a moderate extent	2
To a minimal extent	3
Not at all	4

47) Have you formed informal **or** formal business relationships with individuals you have met in this marketing club? (Please circle the number next to the answer you choose)

Yes 1 No 0 **(IF NO, GO TO Q. 49)**

48) How important do you feel those relationships are to you and your business. (Please circle the number next to the answer you choose)

Very important	1
Somewhat important	2
Not important	3

49) How important is continued club membership to maintaining any business relationships you have developed in this marketing club? (Please circle the number next to the answer you choose)

Very Important	1
Somewhat important	2
Not important	3

50) How much do you think your gross **income** has changed as a direct result of the knowledge you have obtained from this marketing club in the last year? (Please circle the number next to the answer you choose)

Decreased by more than $5000	1
No significant difference	2
Increased by $ 5000 - $9,999	3
Increased by $10,000 - $14,999	4
Increased by $15,000 - $20,000	5
Increased by more than $20,000	6
I don't know	7

51) How much do you think your gross **expenses** have changed as a direct result of the knowledge you have obtained as a direct result of this marketing club? (Please circle the number next to the answer you choose)

Increased by more than $5000	1
No significant difference	2
Decreased by $5000- $9,999	3
Decreased by $10,000 -$14,999	4
Decreased by $15,000 - $20,000	5
Decreased by more than $20,000	6
I don't know	7

52) Are you likely to continue your membership with the club for longer than this year? (Please circle the number next to the answer you choose)

No	0
Yes	1
I don't know	2

53) What are the three most important benefits that you have received from attending club meetings?

A._____

B._____

C._____

The next set of question is about the goals of this club

54) How often does this marketing club write out what it wants to accomplish in a given time frame? (Please circle the number next to the answer you choose)

All of the time	1
Most of the time	2
Some of the time	3
Never	4

55) How often does the club evaluate its progress towards achieving its goals? (Please circle the number next to the answer you choose)

All of the time	1
Most of the time	2
Some of the time	3
Never	4

56) In the last year were the goals of your club: (Please circle the number next to the answer you choose)

Achieved	1
Partly achieved	2
Not achieved	3

57) How challenging do you think the clubs goals are? (Please circle the number next to the answer you choose)

Very challenging	1
Somewhat challenging	2
Fairly easy	3
Very easy	4

58) Are new goals established after the old ones have been met? (Please circle the number next to the answer you choose)

Yes 1 No 0

59) Using a scale of 1-5, 1 being **very unsatisfied** and 5 being **very satisfied** please circle the number which best indicates **how satisfied you are with**:

a) The achievement of the goals of the club

Very Unsatisfied				Very Satisfied
1	2	3	4	5

b) The way the club is organized

Very Unsatisfied				Very Satisfied
1	2	3	4	5

c) The amount of input the members have

Very Unsatisfied				Very Satisfied
1	2	3	4	5

d) The information you receive from club meetings

Very Unsatisfied				Very Satisfied
1	2	3	4	5

e) The tasks that you are required to perform at or before the meetings

Very Unsatisfied				Very Satisfied
1	2	3	4	5

f) The club, overall

Very Unsatisfied				Very Satisfied
1	2	3	4	5

This next section is focusing on the importance of leadership in marketing clubs.

60) Using a scale of 1-5, where "1" is **very unimportant** and "5" is **very important** would you indicate how important it is to the club to have a **leader who has the following features**. (Please circle the most appropriate number for each feature)

Features	Very Unimportant				Very Important
a) An active member in the larger community	1	2	3	4	5
b) Actively steers group towards defined goals	1	2	3	4	5
c) Elected by the group	1	2	3	4	5
d) Emphasizes the economic benefits of club membership	1	2	3	4	5
e) Has previous club experience	1	2	3	4	5
f) Urges members to tackle difficult tasks	1	2	3	4	5
g) Takes charge at the meetings	1	2	3	4	5
h) Government specialist	1	2	3	4	5
i) Good speaker	1	2	3	4	5
j) Well respected in the larger community	1	2	3	4	5
k) Able to manage conflict among members	1	2	3	4	5
l) Continuously offers new ideas	1	2	3	4	5
m) Quickly identifies and addresses problems	1	2	3	4	5
n) Invites constructive feedback of him/herself	1	2	3	4	5
o) Provides constructive feedback to members	1	2	3	4	5
p) Is flexible to change	1	2	3	4	5

Finally, we would like to ask you a few questions about yourself and your farm operation in order to help us interpret the results. Please answer as accurately as possible.

61) How old are you? _____ Years

62) Are you?

Male	0
Female	1

63) Please circle the highest level of education that you have completed.

Some highschool	1
Highschool diploma	2
Some college	3
College diploma	4
Some university	5
University degree	6
Other	7
(Please specify_____)	

64) How long have you been making management decisions on your farm operation?

_____Years

65) Which of the following best describes your gross farm receipts for the last reporting year?

<$10,000	1
$10,000-$24,999	2
$25,000-$49,999	3
$50,000-$99,999	4
$100,000-$249,999	5
$250,000-$499,999	6
$500,000-$999,999	7
>$1,000,000	8

66) What are the main sources of income from your operation? (Please check ALL that apply)

___ Beef cattle
___ Dairy cattle
___ Sheep
___ Hogs
___ Poultry
___ Cereal grain
___ Oil seeds
___ Pulse crops
___ Forage crops
___ Horticulture
___ Alternative livestock (i.e. elk, buffalo, ostrich)
___ Other (please specify)_____

67) Check the following items that you use for your farm business

____ Personal computer
____ Fax machine
____ Internet connection
____ Electronic bookkeeping
____ Other (please specify)_____

68a) What do you like best about your club? Why?

b) What do you like least about your club? Why?

If you have any final comments about the survey please feel free to use the space provided to write down your opinions or comment.

Your contribution to this project is greatly appreciated. If you would like a summary of the results, please print your name and address on the sheet provided and we will see that you get it.

Appendix C: List of Clubs

Marketing Clubs

Three Creeks Agro

Westlock Grain Club

Kingman Crop Club

Athabasca Grain Club

Magrath Marketing Club

Palliser Marketing Club

Berwyn Marketing Club

Taber Diversified Marketing Club

Marquis Marketing Club

Stettler Marketing Club

Paradise Valley Marketing Club

Paddleview Marketing Club

Calmar Grain Marketing Club

Production Clubs

Northern Alberta Purebred Cattle Association

Ashmont Beef Club

Consort Steer -a- Year Production Club

Pembina Cattle Breeders